

10797

Government's Exhibit No. 259

CERTAIN-TEED PRODUCTS CORPORATION

Box 6917 N Phila Sta

Phila Pa

Sold to: C. W. Kempkau & Co 2.

Invoice Date: 8/12/37

Street and No.: 812 Third Ave N 41

Ship to: same

City and State: Nashville Tenn 19

Destination: same

Register No.: 809125 Salesman: 1117

Total No. Sheets: Sheet No.:

S. O. No.: At 2667 Customer No.:

To be Shipped: at once, From: Acme

Date Ordered: 8/4 Entered: 8/6

Date Shipped: 8/10 From: AT 10

Route: QA&P Frisco SSW IC TC

Car No.: C&O 1598

Terms: Dis 10th prox (see below) net 30th prox
 From date of invoice. Not contingent upon delivery

F.O.B.: Acme full frt allowed

lp

Invoice No.: 141 EW

Quantity	Unit	Est. Wt.: 17920	Min.:	Rate: 50	Weight Shipped	Price	Amount	Total
Beaver Gypsum $\frac{3}{8}$ " C.E.								
200	bdls	16x48	6400 sq ft per M		8845	17.34	110.98	
Beaver Reflective Insulating Lath $\frac{3}{8}$ " (Metallized one side) (O S P)								
200	bdls	16x48	6400 sq ft per M			26.34	168.58	
								379.56
Less Freight: 17690 @ .50								88.45
								191.11

Ship in car with AT 2666

Confirming T. O. 1330

Freight Absorption:

Shipping Plant Rate.. 7.00

E Chi Basic Rate..... 4.34

..... tons @ 2.65 \$34.05

12800 Sq. Ft.

Discount Notice:

Discount of \$4.48 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Müllerized" for Longer Life

5788

10798

Government's Exhibit No. 260

CERTAIN-TEED PRODUCTS CORPORATION

Box 6817 N Phila Sta

Phila Pa

Sold to: Witt Lbr Co 3

Invoice Date: 7/27/37

Street and No.: Knoxville Tenn 41

Ship to: same

City and State: 47

Destination: same

Register No.: 726092 Salesman: 1116

Total No. Sheets: Sheet No:

S. O. No.: At 2447 Customer No.:

To be Shipped: at once From: Ft. Dodge

Date Ordered: 7/20 Entered: 7/22

Date Shipped: 7/24/37 From: FD 24

Route: FTDD&S CB&Q SOU

Car No.: MP 46824

Terms: Dis 10th prox (see below) net 30th prox
 From date of invoice. Not contingent upon delivery

F. O. B.: Ft Dodge—Full Frt Allowed

MG

Invoice No.: 387 EW

Quantity	Unit	Est. Wt.: 3360 Min.:	Rate: 45	Weight Shipped	Price	Amount	Total
----------	------	----------------------	----------	----------------	-------	--------	-------

Cert Reflective Insulating Lath $\frac{3}{8}$ " C.E.
 (Metallized one side) (O S P)

75	bcls	16x48	2400 sq ft per M	3600	25.08	60.19	
----	------	-------	------------------	------	-------	-------	--

Less freight: 3600 @ .45

16.20

43.99

Ship in car with AT 2448-2449

Confirming T.O. 1226

Freight Absorption:

Shipping Plant Rate.. 6.30

Plant Basic Rate..... 3.08

..... tons @ 3.22M \$7.73

2400 Sq. Ft.

Discount Notice:

Discount of \$1.06 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Millerized" for Longer Life

5789

10799

Government's Exhibit No. 261

CERTAIN-TEED PRODUCTS CORPORATION OF VIRGINIA

Box 6917 No Phila Sta

Phila Pa

1 RD

Sold to: Morris-Austin Co.

2

Invoice Date: December 16 1936

Ship to: same

Address: Asheville N C

31

Destination: same

Register No.: 1211085

Salesman: Bradford

Total No. Sheets:

Sheet No.

S. O. No.: Rd 2268

Customer No.: 25

To be Shipped: at once

From: Plasterco

Date Ordered: 12/10

Entered: 12/11

Date Shipped: 12/12

From: Plasterco 29

Route: N&W SOU

Car No.: PRE-91075

Terms: Dis 10th prox (see below) net 30th prox

From date of invoice. Not contingent upon delivery

F.O.B.: Plasterco—Full Frt Allowed

MG

Invoice No.: 37 VA

2 240

23 plus 7%

Quantity
Shipped

Price

Amount

Total

Certain-teed Reflective Insulating Lath %

(metallized one side)

50 bdls 16x48 1600 sq ft OSP per M sq ft 1600 25.50 40.80

Less Freight 2414# @ .23

5.56

Emer. Chgs. 7%

.39

5.94

34.86

Ship in car with RD 2266-7

Confirming T.O. 1147

Discount Notice:

Discount of \$.70 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Millerized" for Longer Life

5790

10800

Government's Exhibit No. 262

CERTAIN-TEED PRODUCTS CORPORATION

Box 6917 N Phila Sta

Phila Pa

Sold to: Smith-Kelly Sup Co Inc

9

Invoice Date: 9/27/37A

Street and No.: SW Cor Va & Conception Sts

1

Ship to: same

City and State: Mobile Ala

49

Destination: same

Register No.: 924227

Salesman: Auman 1112

Total No. Sheets:

Sheet No.:

S. O. No.: At 3465

Customer No.:

To be Shipped: at once

From: Acme

Date Ordered: 9/18

Entered: 9/23

Date Shipped: 9/21/37

From: AT 10

Route: FWDC T&P Y&MV

GM&N

Car No.: SLSF 161247

Terms: Dis 10th prox (see below) net 30th prox

From date of invoice. Not contingent upon delivery

F. O. B.: Acme—Full Frt Allowed

MG

Invoice No.: 388 EW

Quantity	Unit	Est. Wt.: 15718	Min.:	Rate: 47	Weight Shipped	Price	Amount	Total
Beaver-Gypsum Lath ½								
225	bdl	16x48	7200 sq ft per M		10015	18.74	134.93	
Cert Reflective Insulating Lath ½ (Metallized one side) (O S P)								
30	bdl	16x48	960 sq ft per M		1335	27.74	26.63	
Bestwall Gypsum Board ¼ Ivory Triple Mounting								
43	pcs	4x6	1008 sq ft					
51	pcs	4x7	1428 sq ft					
30	pcs	4x8	960 sq ft					
30	pcs	4x10	1200 sq ft					
			4596 sq ft per M		4379	23.90	109.84	

Less Freight 15729 @ .47

271.40
73.93

197.47

Freight Absorption on ¾":

Shipping Plant Rate.. 6.58

Plant Basic Rate..... 5.74

..... tons @ .84M \$6.85

8160 Sq. Ft.

Ship in car

Confirming T.O. 1720

Freight Absorption on ¼":

Shipping Plant Rate.... 4.47

Plant Basic Rate..... 3.90

..... tons @ .57M \$2.62

4596 Sq. Ft.

Discount Notice:

Discount of \$4.13 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Millerized" for Longer Life

5791

10801

Government's Exhibit No. 263

CERTAIN-TEED PRODUCTS CORPORATION

Box 6917 N Phila Sta

Phila Pa

Sold to: Smith Kelly Supply Co 2
 Street and No.: 1
 City and State: Mobile Ala 49
 Register No.: 816155 Salesman: 1112
 B. O. No.: At 2776 Customer No.:
 Date Ordered: 8/11 Entered: 8/13

Invoice Date: 8/17/37
 Ship to: same
 Destination: same
 Total No. Sheets: Sheet No.:
 To be Shipped: at once From: Acme
 Date Shipped: 8/11/37 From: AT 10
 Route: QA&P FWDC SP L&N
 Car No.: SLSF 148539

Terms: Dis 10th prox (see below) net 30th prox
 From date of invoice. Not contingent upon delivery

F. O. B.: Acme—Full Frt Allowed

MG

Invoice No.: 244 EW

Quantity	Unit	Est. Wt. 1344 Min.:	Rate: 49	Weight Shipped	Price	Amount	Total
----------	------	---------------------	----------	----------------	-------	--------	-------

Cert Reflective Insulating Lath $\frac{3}{8}$
 (Metallized one side) (O.S.P.)

30	bds	16x48	960 sq ft per M	1326	27.74		26.63
----	-----	-------	-----------------	------	-------	--	-------

Less Freight 1326 @ .47

6.23

20.47

Ship in car with AT 2775

Confirming T.O. 1382

Freight Absorption:

Shipping Plant Rate.. 6.86

Plasterco Basic Rate.. 5.74

960 tons @ 1.12M \$1.08

..... Sq. Ft.

Discount Notice:

Discount of \$.42 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Millerized" for Longer Life

5792

10802

Government's Exhibit No. 264

CERTAIN-TEED PRODUCTS CORPORATION

Box 6917 N Phila Sta

Phila Pa

Sold to: Smith Kelly Sup Co Inc 2 Invoice Date: 7/7/37

Street and No.: SW cor Virginia & Conception Sts 1 Ship to: same

City and State: Mobile Ala 49 Destination: same

Register No.: 703132 Salesman: 1112 Total No. Sheets: Sheet No.:

S.O. No.: At 2105 Customer No.: To be Shipped: 7/1 From: Acme

Date Ordered: 6/29 Earned: 7/2 Date Shipped: 7/2/37 From: AT 10

Route: QA&P FWDC L&A MC WANILLA GM&N

Car No.: GN 13597

Terms: Dis 10th prox (see below) net 30th prox
 From date of invoice. Not contingent upon delivery

F. O. B.: Acme—Full Frt Allowed

MG

Invoice No.: 16-EW

Quantity	Unit	Est. Wt. 672, Min.:	Rate: 47	Weight Shipped	Price	Amount	Total
15	bds	16x48 480 sq ft per M			27.74		13.32
664#		Less Freight 664 @ .47					3.12
							10.20

Ship in car with AT 2099-2100

Confirming T.O. 1082

Freight Absorption:

Shipping Plant Rate.. 6.58

Plant Basic Rate..... 5.74

..... tons @ .84M \$40

480 Sq. Ft.

Discount Notice:

Discount of \$21 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Millerized" for Longer Life.

5793

10803

Government's Exhibit No. 265

CERTAIN-TEED PRODUCTS CORPORATION

Box 6917 N Phila Sta

Phila Pa

Att orig B/L

Sold to: Campbell Coal Co. 2 Invoice Date: 7/23/37
 Street and No.: 240 Marietta St N W 10 Ship to: same
 City and State: Atlanta Ga 60 Destination: same
 Register No.: 728034 Salesman: 1121 Total No. Sheets: Sheet No.:
 S.O. No.: At 2493 Customer No.: 1653 To be Shipped: at once From: Acme
 Date Ordered: 7/23 Entered: 7/26 Date Shipped: 7/24/37 From: AT 0
 Route: QA&P Frisco SOU
 Car No.: SLSF 148863

Terms: Dis 10th prox (see below) net 30th prox
 From date of invoice. Not contingent upon delivery

F.O.B.: Acme full frt allowed

lp

Invoice No.: 413 EW

Quantity	Unit	Est. Wt.: 13440 Min.	Rate: 54	Weight Shipped	Price	Amount	Total
----------	------	----------------------	----------	----------------	-------	--------	-------

Certain-teed Reflective Insulation Lath 3/8"
 (Metallized one side) (O S P)

300	bcls	16x48	9600 sq ft per M	13277	26.34	252.86	
			Less freight 13277 @ .54			71.70	
							181.16

Ship in car with AT 2492

Confirming T.O. 1241

Freight Absorption:

Shipping Plant Rate.. 7.36

Plant Basic Rate..... 4.34

..... tons @ 3.22M \$30.91

9600 Sq. Ft.

Discount Notice:

Discount of \$4.22 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Millerized" for Longer Life

5794

10804

Government's Exhibit No. 266

CERTAIN-TEED PRODUCTS CORPORATION

Box 6917 N Phila Sta

Phila Pa

Sold to: Campbell Coal Co 2 Invoice Date: 7/15/67
 Street and No.: 236-40 Marietta St N W 10 Ship to: same
 City and State: Atlanta Ga 60 Destination: same
 Register No.: 715019 Salesman: 1121 Total No. Sheets: Sheet No.:
 S. O. No.: At 2265 Customer No.: 1493 To be Shipped: at once From: Acme
 Date Ordered: 7/9 Entered: 7/12 Date Shipped: 7/10/37 From: AT 10
 Route: QA&P Frisco. MPS SOU
 Car No.: SISF 160975

Terms: Dis 10th prox (see below) net 30th prox
 From date of invoice. Not contingent upon delivery

F.O.B.: Acme full frt allowed

lp

Invoice No.: 166 EW

Quantity	Unit	Est. Wt.: 8960	Min.: 40000	Rate 54	Weight Shipped	Price	Amount	Total
Beaver Reflective Insulating Lath 3/8" (Metallized one side) (O S P)								
200	bds	16x48	6400 sq ft per M		8851	26.34		168.58
			Less freight 8851 @ .54					47.80
								120.78

Freight Absorption:

Shipping Plant Rate.. 7.56

Plast Basic Rate..... 4.34

..... tons @ 3.22M \$20.61

6400 Sq. Ft.

Ship in car with AT 2266

Confirming T. O. 1148

Discount Notice:

Discount of \$2.82 allowed if paid within discount period.

Certain-teed Roofings and Shingles—"Millerized" for Longer Life

10805

Government's Exhibit No. 268

New York City

DEC. 26, 1934

Buffalo

**WALLBOARD LICENSEES MEETING
DECEMBER 20, 1934.**

MR. C. O. BROWN, V.P.

H. H. VAN HAGAN—eoc

This is to advise that the writer attended the Gypsum Wallboard Licensees Meeting in Chicago at the Bismark Hotel on December 20, 1934 and would advise regarding meeting as follows:

The Licensor is arranging to set up a Board Survey Company under the direction of Mr. Carey and which company will function very similar to the Gypsum Code Authority in the handling of complaints and violations of the license agreement. The Board Survey Company will arrange to handle necessary audits of licensees books for royalty purposes and it is proposed that the licensor will become more active in the handling of all matters in connection with the wallboard license agreement.

I am attaching hereto a copy of the proposed complaint forms which were submitted at this meeting, one covering violations as determined by auditors and the other covering exceptions from licensor's bulletin prices. Additional forms and procedures will be developed and handled as the board survey becomes active.

The principal item of discussion at this meeting was with reference to the light weight board and lath as manufactured by the National Gypsum Company. Mr. Baker, President of the National Gypsum Company stated that these tests had proceeded to a point where their company was fully satisfied that the 1350 lb. board and lath was fully satisfactory and that they intended to develop at once necessary literature covering these products; also that they expect to turn their Sales Department loose on them at their January sales meeting.

Protests were entered by the licensor that tests should be completed before coming to a decision. It is contemplated that these tests will be completed and reports available by December 29th.

As Mr. Baker stood firm in his position, Mr. Henning announced that in order to be competitive the licensor

would therefore bring out a light weight board also; that they would probably market two wallboard,—one at 1600 lbs. and one at about 1400 lbs. He also stated that it would probably be necessary for them to reduce the billing weight on $\frac{3}{8}$ " board from 1600 lbs. to 1400 lbs. per M square feet. It, of course, will be necessary for the licensor to issue bulletins before this becomes effective.

Mr. Henning also advised that as licensor they were ready to transmit to any of the licensees full information 10806 on the manufacture of a 1400 lbs. board and that this could be secured thru their Mr. Knode at any time. The writer is communicating with Mr. Knode to get such information as he may have available.

The above for your information.

10807

Government's Exhibit No. 269

CERTAIN-TEED PRODUCTS CORPORATION
100 East 42nd Street
NEW YORK

OCTOBER 28, 1935

MR. H. DORSEY SPENCER,
Newell & Spencer & Safford,
420 Lexington Avenue,
New York, N. Y.

DEAR MR. SPENCER,

I have discussed the matter of the Super Tomastone plaster being offered by the U. S. Gypsum Company, with our people here and they agree with me that possibly we can tackle this whole proposition from a little different angle and get the end-product we are looking for whatever way we approach the situation.

I talked with Mr. Morton Knode of the U. S. Gypsum Company and found him considerably annoyed because we had approached the infringement of the U. S. Gypsum Company through a buyer rather than direct. I am inclined to believe where concerns are as well-known to one another as U. S. G. and Certain-teed, there is considerable doubt as to the method of approaching the customer rather than the primary infringer and I suggest that I write a letter to

Mr. Knode somewhat on the lines of the attached draft which you may correct any way you see fit, declaring an armistice on correspondence and action in connection with this matter, awaiting an opportunity for a discussion between the two companies along the lines of combining the patent interests on this character of material in an attempt to bring something constructive out of such combination of patents.

The question as to whether or not these patents are valid is bound to arise if enough pressure is put upon them and I think it is better if it can be arranged that the patents be combined and in the hands of such strong concerns as ourselves, U. S. Gypsum, etc., where there would be less liability of their validity being attacked.

Yours very truly,

CHESTER E. RAHB,
Vice-President.

CER:AGS

10808

Government's Exhibit No. 269

FIRST DRAFT

OCTOBER 28, 1935

MR. MORTON KNODE, *Vice-President*
U. S. Gypsum Company
300 West Adams Street
Chicago, Illinois

DEAR MR. KNODE,

I have looked into the matter of the correspondence which has been going on with regard to our patent No. 1,996,372. I have noted the correspondence between Newell & Spencer & Safford and Jones, Addington, Ames & Seibold in connection with this matter and I propose that we discontinue for the time being any correspondence about this matter until we can have an opportunity to discuss this patent and any that you may have in this connection and the use of these patents in the most constructive way to protect the sales of our companies and possibly other companies.

5798

As you know, we would much prefer something constructive to any sort of conflict as, actually, there can be very little conflict of interests between us.

We would arrange for such conversations at a later date if you agree the principal thing to do is to call off the present activities.

With kindest personal regards, I am

Yours very truly,

Vice-President.

CER:AGS

10809

NOVEMBER 1, 1935.

MR. CHESTER E. RAHR
Certain-teed Products Corp.
100 East 42nd Street
New York, N. Y.

Re: United States Gypsum

DEAR MR. RAHR:-

Referring to your proposed letter to Mr. Knode of the U. S. Gypsum Company which accompanied your letter of October 28, I think the letter in the form in which you drafted it is probably all right for the present.

As you suggest in the letter, there are a number of patent issues between the two companies due to the extremely thin patents that U. S. Gypsum has succeeded in getting. One of the patents that has irritated Mr. Van Hagan particularly is the Roos Patent No. 1,938,354, granted December 5, 1933, on the perforated plasterboard, this patent being granted on an application filed March 15, 1933.

This patent is probably completely invalid because of prior public use of perforated plasterboard on the Pacific Coast that anticipates any possible patentability in the structure disclosed in the Roos patent.

Mr. Van Hagan thinks he can make a perforated plasterboard that will compete strongly with metal lath. The situation here in New York which gave rise to the U. S. Gypsum Company's rush to get this invalid patent is no longer

urgent but there is apparently a big field in a perforated board that can be used as a substitute for metal lath. I have before me a sample of perforated board which I understand has been made on the Pacific Coast since at least 1920 which apparently, if used as a justification for ignoring the U. S. Gypsum Company's patent, would give Mr. Van Hagan a rather free hand. In view of this situation and one or two other patent situations in which comparatively thin patents of the U. S. Gypsum Company hamstring free development, it might be well to come to some decision as to what policy we shall follow, whether to help them maintain these thin patents for the benefit of the industry, or get together for a possible exchange of licenses. We are apparently in a comparatively good position at the present time to deal with them as it appears to be quite obvious that they have been infringing our Patent No. 1,996,372.

Very truly yours,

HDS:GN

10811

Government's Exhibit No. 271

CERTAIN-TEED PRODUCTS CORPORATION
Daily News Building
1 North Canal Street
CHICAGO, U.S.A.

AUGUST 25, 1931.

MR. CHARLES F. HENNING, *Vice-President*
United States Gypsum Company
300 West Adams Street
Chicago, Illinois

DEAR SIR:

Referring to your inquiry of July 21st requesting information as to terms of sale of licensed gypsum plasterboard and/or wallboard to other manufacturers, give you below the information desired.

Arrangement with the National Gypsum Company of Buffalo, New York for the sale of 3/8" plaster lath at \$13.50 per M. square feet, f.o.b. our mill, Fort Dodge, Iowa, no freight equalization.

Also to National Gypsum Company, 3/8" Gypsum wallboard at \$16.96 per M. square feet, f.o.b. cars, our Plant Fort Dodge, Iowa, no freight equalization.

Arrangement with the Atlantic Gypsum Company of Boston, Mass. covering the sale of 1/4" gypsum lath at \$13.00 per M, f.o.b. cars our plant, Akron, New York, no freight equalization.

Arrangement with the Oakfield Gypsum Products Corporation of Utica, N. Y. and/or their subsidiary, the American Hard Wall Company, for the sale of gypsum wallboard and/or lath at our regular dealer prices, less 10%.

Arrangement with the Wasem Plaster Company of Fort Dodge, Iowa, covering the sale of 3/8" gypsum wallboard on a basis of our regular dealer prices, less 10%.

The above covers our sale of gypsum wallboard and/or lath to date, and we would appreciate your O.K. to the arrangements above outlined.

Yours very truly,

WARREN HENLEY,
Merchandise Manager,
Gypsum Division.

Warren Henley/MS

10812

Government's Exhibit No. 274

THIS AGREEMENT, made in duplicate this 7th day of May, 1930, by and between **UNITED STATES GYPSUM COMPANY**, an Illinois corporation, having its principal office at Chicago, Illinois, First Party, and **CERTAIN-TEED PRODUCTS CORPORATION**, a Maryland corporation, having its principal office at New York; New York, Second Party,

WITNESSETH: That

WHEREAS, Second Party desires to have such gypsite products as it now manufactures in its plant at Laramie, Wyoming, manufactured for it by First Party in such quantities as it may require for distribution in the territory which such plant now serves, and further desires to have such other gypsum products and materials as it has reg-

ularly warehoused at Laramie, Wyoming, warehoused in said city for it by First Party; and

WHEREAS, First Party is willing to manufacture for Second Party such gypsite products and to warehouse for Second Party such other gypsum products and materials,

NOW, THEREFORE, the said parties hereto, in consideration of the foregoing and of the mutual covenants and agreements hereinafter contained, and the performance of the same by the respective parties, do hereby covenant and agree as follows:

1. First Party agrees to manufacture for Second Party, according to Second Party's formulae and specifications, and Second Party agrees to have manufactured for it by First Party, all such gypsite products as Second 10813 Party now manufactures or has customarily manufactured in its gypsite calcining plant at Laramie, Wyoming, which Second Party may require for sale to its customers in the territory which is now served by Second Party's said plant at Laramie, Wyoming, as a distributing point, and First Party agrees to deliver the same on cars at First Party's plant at Laramie, Wyoming, properly sacked or otherwise prepared for shipment, at cost as hereinafter defined.

2. First Party shall have the right to take and use from time to time, without cost, charge or other expense to First Party, or any claim of damage for the removal thereof, an amount or amounts of gypsite from the beds owned by Second Party at Laramie, Wyoming, equivalent to the amount or amounts of gypsite used from time to time by First Party in manufacturing the products herein required to be manufactured by it for Second Party; provided, however, that First Party shall remove such gypsite from said beds of Second Party in a good and workmanlike manner without unnecessary waste or damage thereto.

3. The cost at which First Party shall manufacture and deliver the aforesaid products to the Second Party shall be cost on cars, as aforesaid, and shall include the usual and customary items composing the cost of such products, including bagging, other preparation for shipment, formula cost, compensation insurance, fire insurance on all material inventory and taxes on all material inventory, but excluding depreciation, interest on investment, fire insurance and taxes on plant and equipment, and depletion of supplies

of raw material, it being understood that in excluding depletion it is intended to exclude all value of raw gypsite, as Second Party is to receive no credit for gypsite taken from its beds pursuant to Paragraph 3 hereof. Cost statements shall be prepared by First Party each month covering products manufactured during the preceding month and shall be furnished to Second Party at the time products delivered during the preceding month are billed to Second Party as hereinafter provided.

4. First Party agrees to warehouse for Second Party, free of cost except handling charges and insurance coverage of all usual kinds, such gypsum materials and products as are not regularly manufactured at Laramie, Wyoming, and such as have been regularly carried as warehouse products by Second Party in the past, and which may be reasonably necessary to be carried by Second Party to meet the requirements of its trade in said territory in and around Laramie, Wyoming; provided that in the event the quantities of such materials or products to be stored, together with the materials and products of First Party, shall exceed the warehousing capacity of First Party at Laramie, Wyoming, First Party shall have the right to use the warehouse space of the Second Party at Laramie, Wyoming, free of all charges, cost or expense to it.

5. It is understood that Second Party intends to ship to Laramie from points outside of the territory affected by this agreement, mixed cars of board and lath and small quantities of plaster, and upon arrival at Laramie break the seal and remove the plaster for warehousing under this agreement or reshipment on Second Party's orders, and reship the board and plaster in same cars, but on the Laramie rate. First Party agrees to handle this type of business for Second Party free of cost except handling charges and any other necessary expenses incurred thereby.

10815 6. First Party shall furnish paper bags, printed with Second Party's brand, for products manufactured by it for Second Party hereunder of the same type and quality as regularly used by First Party, at a price to Second Party not greater than Second Party would have to pay for the same type and quality of bag delivered at its Laramie plant, which price shall be included in the cost of material manufactured hereunder for Second Party by First Party delivered on cars as aforesaid.

7. First Party will bill Second Party each month for all goods delivered to Second Party or shipped on Second Party's orders during the preceding month, at cost, as hereinbefore defined, of goods manufactured during such preceding month, as soon as such cost shall have been ascertained. First Party will also bill Second Party for all costs, charges and expenses for handling materials warehoused by it for Second Party under this agreement, and all further costs or charges for warehousing or trucking for which Second Party may be liable, at the same time, and Second Party agrees that it will pay all amounts billed to it, in cash, within ten (10) days after billing.

8. Orders of Second Party shall be given the same consideration in handling and shipping as is given to orders of First Party, and First Party agrees that sales data, customers' names, prices, etc. on business of Second Party will not be compiled and turned over to the Sales Department of First Party.

9. First Party shall not be liable for any loss or damage to materials or products warehoused by it for Second Party except for failure to insure the same with reasonable promptness after the same come into its possession, and except to the extent that it shall have received compensation under its insurance policies or otherwise for loss or damage to such materials or products. First Party shall be required to exercise only ordinary and reasonable care in manufacturing and preparing for shipment the products to be manufactured by it for Second Party under this agreement, and shall not be liable to Second Party or any of its customers for any defects in materials manufactured by it, nor for any failure to deliver, nor any delay in delivery of any materials or products manufactured or warehoused by it for Second Party hereunder, unless the same shall have been caused by the willful misconduct or gross negligence of its officers, agents, servants or employees.

10. In the event of default by Second Party in the payment of any bills rendered to it by First Party hereunder, and upon failure of the Second Party to correct such default within thirty (30) days after written notice of such default has been served upon it by First Party, First Party, at its option, may declare this agreement terminated, without prejudice, however, to any claim of either party against the other arising out of any breach of or failure to perform the agreement occurring prior to such termination.

11. This agreement shall become effective as soon as executed by the parties hereto (provided that nothing herein contained shall restrict in any way the right of Second Party to dispose of its present stock of goods at Laramie, Wyoming in the usual course of business, or otherwise, as it may see fit), and shall remain in full 10817 force and effect to and including May 1, 1936, and from year to year thereafter unless canceled by either party on May 1st of any year upon six months' prior written notice; and provided further that this agreement shall be subject to cancelation at any time by Second Party upon six months' prior written notice, for unsatisfactory service rendered by First Party or unsatisfactory quality of product manufactured by First Party which is shown to result in loss of business by Second Party.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their respective corporate names by their respective _____ Presidents, and their corporate seals to be affixed and attested by their respective _____ Secretaries, the day and year first above written.

UNITED STATES GYPSUM COMPANY

S. L. AVERY,
President.

ATTEST:

R. G. BEAR,
Secretary.

[SEAL]

CERTAIN-TEED PRODUCTS CORPORATION

GEO. M. BROWN,
President.

ATTEST:

ROBT. M. NELSON,
Secretary.

[SEAL]

10818

Government's Exhibit No. 275

THIS AGREEMENT, made in duplicate this 28th day of October, 1930, by and between UNITED STATES GYPSUM COMPANY, an Illinois corporation, having its principal office at Chicago, Illinois, hereinafter referred to as First Party; and CERTAIN-TEED PRODUCTS CORPORATION, a Maryland corporation, having its principal office at New York, New York, hereinafter referred to as Second Party,

WITNESSETH: That

WHEREAS, Second Party desires to purchase from First Party certain gypsum products now manufactured by First Party at some one or more of its various plants in the United States, including its Gypsum, Ohio plant; and

WHEREAS, First Party is willing to sell the same to Second Party as is herein provided;

NOW, THEREFORE, the said parties hereto, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and the performance thereof by the respective parties, do hereby covenant and agree as follows:

1. First Party will sell to Second Party and Second Party will purchase from First Party, such quantities of Crushed Rock, Land Plaster, Stucco, local Finishing Plaster, Cement Plaster and Wood Fibre Plaster, manufactured at First Party's mills at Gypsum, Ohio, as Second Party may from time to time determine, as evidenced by 10819 written orders from Second Party to First Party.

First Party agrees to manufacture said local Finishing Plaster, Cement Plaster and Wood Fibre Plaster in accordance with formulae furnished from time to time by Second Party, it being understood that the word "formulae" shall be construed only to mean that Second Party shall have the right to specify the quantities of such ingredients as fibre, lime, clay, talc and similar materials which are to be added to stucco in order to produce the above mentioned wall plasters having such varying characteristics as will suit the requirements of Second Party's customers; provided, that Second Party shall also have the right to specify the setting time of such wall plasters, such setting time to be regulated by First Party by variations in the amount of retarder added to such plasters during mixing.

The prices to be paid by Second Party for the above products shall be as follows:

- Crushed Rock — Cost plus 30 cents a ton;
- Land Plaster — Cost plus 75 cents a ton;
- Stucco — Cost plus \$1.00 a ton;
- Local Finishing Plaster — Cost plus \$1.10 a ton;
- Cement Plaster — Cost plus \$1.10 a ton;
- Wood Fibre Plaster — Cost plus \$1.10 a ton.

The above prices are f.o.b. cars Gypsum, Ohio.

As used in this Paragraph 1, cost shall be deemed to mean total cost of the product on cars at the mill in accordance with the method of computing such costs now employed by First Party, but excluding depreciation and depletion. All cost of bags shall be added to these costs.

10820 2. First Party will also sell to Second Party and Second Party will purchase from First Party, such quantities, as Second Party shall from time to time determine, as evidenced by written orders to First Party, of all those certain gypsum products more particularly set forth in the schedule attached hereto and marked Schedule A. The prices to be paid by Second Party for the said gypsum products so set forth in said Schedule A shall be as specified in said schedule. The prices set forth in said Schedule A shall continue in force for the remaining portion of the calendar year 1930 and for the calendar year 1931. The prices for any succeeding calendar year, so long as this contract shall continue in force, shall be the prices as set forth in said Schedule A, increased by an amount equal to the increase, if any, in First Party's costs for the calendar year immediately preceding, over First Party's average costs for the year 1930. All prices applicable to the said gypsum products, set forth in said Schedule A, shall be f.o.b. cars Gypsum, Ohio, and shall at all times be subject to be increased or decreased by the amount of any increase or decrease in freight rates from First Party's mill, other than at Gypsum, Ohio, where said gypsum products so sold to Second Party from time to time are actually manufactured, to Gypsum, Ohio.

Second Party, at its option, may ship to First Party's plant at Gypsum, Ohio, such gypsum products not manufactured at Second Party's plant at Gypsum, Ohio but required in mixed cars and First Party agrees to warehouse such products for Second Party at a cost of seventy-five cents (75¢) per ton.

10821 3. First Party will bill Second Party each month for all goods delivered to Second Party or shipped on Second Party's orders during the preceding month, at prices hereinbefore defined, as soon as costs for such preceding month shall have been ascertained. First Party will also bill Second Party for all other costs, charges and expenses for which Second Party may be liable, at the same time, and Second Party agrees that it will pay all amounts billed to it, net in cash, within ten (10) days after billing.

4. All paper bags necessary for packaging any of the products purchased by Second Party hereunder shall be furnished by First Party, printed with Second Party's brand. Such bags shall be of the same type and quality as is, or shall be, regularly used by First Party, at a price to Second Party not in excess of the price which Second Party would have to pay for bags of the same type and quality delivered at its plant at Gypsum, Ohio.

5. All orders given by Second Party to First Party shall be given the same consideration in handling and shipping as is given to orders of First Party, and First Party agrees that sales data, customers' names, prices, etc. on Second Party's business, will not be compiled and turned over to the Sales Department of First Party.

10822 6. Failure on the part of Second Party promptly to pay any bills rendered by First Party to Second Party for goods sold to Second Party hereunder when the same are due and payable, shall be sufficient to authorize First Party to withhold any and all further shipments or deliveries to Second Party, or on Second Party's account, and if any such bills are not paid within a period of thirty (30) days after the same are due and payable, then First Party shall have the right, at its option, to terminate this agreement, with or without notice to Second Party, provided that any such termination shall be without prejudice to any claim of either party against the other arising out of any breach of or failure to perform this agreement occurring prior to such termination.

7. It is understood and agreed that the prices mentioned in Paragraph 1 hereof and in said Schedule A are based upon the respective products therein mentioned being manufactured at specific mills of First Party. It is specifically agreed therefore, that in the event that, on account of fires, floods, strikes, labor troubles or for any other reason, whether of like kind to those specified or of a wholly different character, not due to the wilfull neglect of First Party, the

specific mill at which said gypsum products are to be manufactured as contemplated by First Party; shall cease either temporarily or permanently to manufacture such products, First Party will promptly notify Second Party thereof and will as soon as may be furnish Second Party with a new schedule of prices covering such of said products, 10823 the manufacture of which at such specific mill shall have so ceased. In such event, if Second Party finds that it can purchase or manufacture such product or products at a less price than as set forth in such new price list, it shall have the right to purchase or manufacture such products elsewhere than from First Party so long as such specific mill shall not be in operation, and also has the option of cancelling this contract, it being understood and agreed that upon the happening of any of the events mentioned in this Paragraph 7, First Party shall be under no liability whatsoever to Second Party for failure or refusal on First Party's part to furnish such gypsum products, except at such new prices. Such new prices, so long as said respective products shall not be manufactured at such specific mill, shall be substituted for the prices otherwise mentioned herein with respect to such products, and shall be subject to all of the terms herewith to the same extent as the prices specifically mentioned in said Paragraph 1 and in said Schedule A.

8. This agreement shall become effective as soon as executed by the parties hereto and as of the date hereof, and shall remain in force to and including December 31, 1931, and from year to year thereafter, unless terminated by either party upon six months' prior written notice given at any time after said December 31, 1931, provided that the right of termination given in this paragraph 8 shall be in addition to any right of termination given in any other paragraph of this agreement; and provided further that 10824 this agreement shall be subject to cancellation at any time by Second Party upon sixty (60) days' prior written notice, for unsatisfactory service rendered by First Party, or unsatisfactory quality of product manufactured by First Party which is shown to result in loss of business by Second Party. Written notice of termination, as provided for in this Paragraph 8, shall be deemed to have been sufficiently given by either party hereto, if deposited in the United States mails, postage prepaid, and addressed to the other party at its principal office.

9. All Jute or cloth bags furnished by Second Party to First Party shall be in good condition and in any event,

First Party shall incur no responsibility or liability whatsoever, either to Second Party or to Second Party's customers; on account of or in any way due to such bags. First Party will receive, condition, and store return shipments of Second Party's bags in the same manner as First Party handles its own bags. First Party will furnish monthly to Second Party, a memorandum of the count and the worthless bags thrown out.

10. First Party shall not be liable for any loss or damage to materials or products warehoused by it for Second Party, except for failure to insure the same with reasonable promptness after the same came into its possession and except to the extent that it shall have received compensation under its insurance policies or otherwise for loss or damage to such materials or products. First Party shall be required to exercise only ordinary and reasonable care in the manufacturing and preparing for shipment the products 10825 to be manufactured by it for Second Party, under this agreement, and shall not be liable to Second Party or to any of Second Party's customers for any defects in materials manufactured by it or for any failure to deliver, nor any delay in delivery of any materials or products manufactured or warehoused by it for Second Party hereunder, unless the same shall have been caused by the willful misconduct or gross negligence of First Party's officers, agents, servants or employees.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed in their corporate names by their respective Presidents and their respective corporate seals to be affixed hereto and attested by their respective Secretaries, the day and year first above written.

UNITED STATES GYPSUM COMPANY

S. L. AVERY,
President.

ATTEST:

R. G. BEAR,
Secretary.
[SEAL]

CERTAIN-TEED PRODUCTS CORPORATION

GEO. M. BROWN,
President.

ATTEST:

ROBT. M. NELSON,
Secretary.
[SEAL]

5810

10826

SCHEDULE A

Prices F.O.B. cars Gypsum, Ohio for shipment to or on orders of Second Party.

1. $\frac{1}{4}$ " Wall Board	\$14.00	per M. ft. Crating Extra
2. $\frac{3}{8}$ " Wall Board	15.00	" " " " "
3. $\frac{1}{4}$ " Plaster Board	13.00	" " " " "
4. $\frac{3}{8}$ " Plaster Board	13.00	" " " " "
5. Gray Trowel Finish	12.00	" ton } see U.S.G. letter
6. White Trowel Finish	16.00	" ton } 11/1/30-COB File

Plaster shipments in Jute or cloth bags shall be in Second Party's bags and prices will be as above less cost of paper bags.

10827

Government's Exhibit No. 276

ASSIGNMENT

For and in consideration of the sum of One Dollar (\$1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, Certain-teed Products Corporation, a Maryland corporation, hereby assigns and transfers to Certain-teed Products Corporation of Virginia, a Virginia corporation, all of its rights, title and interest in and to the contract with U. S. Gypsum Company, dated September 1, 1932, a copy of which is annexed hereto. Subsequent to the date hereof the words "second party" wherever used in said contract shall include the said assignee.

IN WITNESS WHEREOF Certain-teed Products Corporation has caused this assignment to be executed in its behalf at New York City, N.Y., by one thereunto duly authorized and its corporate seal to be hereunto affixed this 14th day of July, 1933.

CERTAIN-TEED PRODUCTS CORPORATION

By C. O. BROWN, V.P.

Accepted July 14, 1933.

CERTAIN-TEED PRODUCTS CORPORATION
OF VIRGINIA

By WATSON

Asst. Treasurer

In consideration of the execution by Certain-teed Products Corporation of the Guaranty below set forth, the undersigned hereby consents to the foregoing assignment.
Dated July 14th, 1933.

U. S. GYPSUM COMPANY

By C. HENNING, F.P.

GUARANTY

Certain-teed Products Corporation, a Maryland corporation, having its principal office and place of business in New York City, New York, for and in consideration of the execution by U. S. Gypsum Company of its written consent to the foregoing assignment by Certain-teed Products Corporation to Certain-teed Products Corp. of Virginia of the contract between U. S. Gypsum Company and Certain-teed Products Corporation dated September 1, 1932, copy of which is annexed hereto, does hereby unconditionally guarantee to the U. S. Gypsum Company the full and faithful performance by Certain-teed Products Corporation of Virginia of all of the provisions, terms and conditions of the said contract therein provided to be performed by Certain-teed Products Corporation including the prompt payment in accordance with the terms of said contract of such sum or sums of money as Certain-teed Products Corporation of Virginia shall at any time owe U. S. Gypsum Company.

IN WITNESS WHEREOF Certain-teed Products Corporation has caused this instrument to be signed in its behalf at New York City, N.Y. by one thereunto duly authorized, and its corporate seal to be hereunto affixed this 14th day of July, 1933.

CERTAIN-TEED PRODUCTS CORPORATION

By C. O. BROWN, F.P.

10828

FOR VALUABLE CONSIDERATION, the receipt of which is hereby acknowledged, the undersigned, CERTAIN-TEED PRODUCTS CORPORATION OF VIRGINIA does hereby sell, assign and transfer to CERTAIN-TEED PRODUCTS CORPORATION, a Maryland corporation, all of its right, title and interest in, to and under the certain Contract, dated September 1, 1932, by and between UNITED STATES GYPSUM COMPANY and said CER-

TAIN-TEED PRODUCTS CORPORATION, a Maryland corporation, as thereafter amended, which said Contract was heretofore assigned to said **CERTAIN-TEED PRODUCTS CORPORATION OF VIRGINIA** by Instrument of Assignment, dated July 14, 1933. This Assignment shall be effective as of June 1, 1937. Subsequent to the date hereof, the term "second party", wherever used, or referred to directly or indirectly, in said contract, shall include the said Maryland company.

The undersigned, **CERTAIN-TEED PRODUCTS CORPORATION**, a Maryland corporation, hereby accepts the foregoing Assignment and does hereby agree to be bound by all the terms and conditions in said agreement contained, and does hereby agree to perform all the terms and conditions in said Agreement of September 1, 1932, provided to be performed by the second party thereto, from and after said first day of June, 1937. Nothing herein contained shall be deemed to relieve said Maryland Company from any of its obligations or liabilities arising and of its Guaranty heretofore made with respect to said Virginia Company's performance under said agreement of September 1, 1932.

IN WITNESS WHEREOF, each of the parties has caused this instrument to be executed by its respective officers thereunto duly authorized and its corporate seal to be hereunto affixed, this 12th day of August, 1937.

**CERTAIN-TEED PRODUCTS CORPORATION
OF VIRGINIA**

By **JAMES K. NORRIS,**
Vice President

ATTEST:

THOMAS H. DUGAN
Secretary.

**CERTAIN-TEED PRODUCTS CORPORATION
(a Maryland corporation)**

By **JAMES K. NORRIS,**
Vice President

ATTEST:

THOMAS H. DUGAN
Secretary.

The undersigned, UNITED STATES GYPSUM COMPANY, does hereby consent to the foregoing Assignment, hereby reserving all rights and powers vested in it as first party in said contract of September 1, 1937.

Dated August 12, 1937.

UNITED STATES GYPSUM COMPANY

By W. L. KEADY,
Vice-President

ATTEST:

Secretary.

10829

AGREEMENT made in duplicate this 1st day of September, 1932, by and between UNITED STATES GYPSUM COMPANY, an Illinois corporation having its principal office and place of business at Chicago, Illinois, hereinafter called the First Party, and CERTAIN-TEED PRODUCTS CORPORATION, a Maryland corporation having its principal office and place of business in New York City, New York, hereinafter called the Second Party,

WHEREIN THE PARTIES HERETO AGREE AS FOLLOWS:

1. First Party agrees to sell to Second Party and Second Party agrees to purchase from First Party all the Second Party's needs and requirements for sale to its customers in the states of Florida, Georgia, North Carolina, South Carolina, Alabama, eastern Tennessee and such other states or parts of states in southeastern United States as Second Party may elect, of the following products, at the following prices:

	In Bulk	In Paper Sacks (Sacks-Extra)	In Jute Sacks (Sacks-Extra)
Crushed Gypsum Rock	\$1.75 per ton		
Land Plaster	2.30 " "	\$2.75 per ton	\$3.00 per ton
Stucco		4.25 " "	4.50 " "
Local Finishing Plaster		4.35 " "	4.60 " "
Cement Plaster		4.60 " "	4.85 " "
Wood Fiber Plaster		4.75 " "	5.00 " "
Gray Trowel Finish		11.00 " "	11.25 " "
White Trowel Finish		24.00 " "	24.25 " "
1/4" Wall Boar	\$15.00 per 1000 sq. ft. (crating extra)		
3/8" Wall Board	16.00 " " " "		
1/4" Plaster Board	13.00 " " " "		
3/8" Plaster Board	13.00 " " " "		

f.o.b. cars Plasterco, Virginia (the above prices based 10830 upon average cost of manufacture in 1931 at Plasterco, Virginia); provided, however, that at the end of each calendar year during the whole or any part of which this contract is in force, the First Party shall determine the average mill cost per ton to First Party on cars Plasterco, Virginia, of each of the above plaster products shipped to Second Party or Second Party's customers during the calendar year last past, and if such cost of any plaster product or products exceeds the average mill cost of such plaster products to First Party on cars Plasterco, Virginia, for the base year 1931, the Second Party will pay to the First Party the difference in cost per ton on all such plaster products purchased hereunder during the calendar year just completed, and if such cost is less than the average mill cost for the base year 1931, First Party will pay the Second Party the difference in cost per ton on all such plaster products purchased during such calendar year; provided, further, that whenever the cost per M square feet to First Party of any of said plaster board or wall board products exceeds $66\frac{2}{3}$ per cent of the price quoted herein, the price to the Second Party of such products during the period such cost so exceeds $66\frac{2}{3}$ per cent of the quoted price, shall be the price quoted herein plus the difference between the cost and $66\frac{2}{3}$ per cent of the quoted price, until such time as the cost is equal to or lower than $66\frac{2}{3}$ per cent of the quoted price, at which time the price to the Second Party shall again be the price herein 10831 quoted; provided further, Second Party may purchase or acquire elsewhere than from First Party, trowel finish plaster, plaster board or wall board to fill orders from customers in said territory for carload shipments of either of such products.

Cost as used herein shall mean the total mill cost of the product on cars at the mill, in accordance with the method of computing such costs now employed by the First Party, exclusive of depreciation and of the cost of sacks or crating.

The word ton, wherever used in this contract, shall mean a net ton of two thousand (2000) pounds.

2. All plaster products sold hereunder shall be manufactured by First Party in accordance with formulas furnished by Second Party from time to time, and if no formula is furnished, according to the standard practices of the First Party. The word formula as used herein shall be construed only to mean that the Second Party shall have

the right to specify the quantities of such ingredients as fiber, lime, clay, talc and similar materials which are added to stucco in order to produce the abovementioned plasters, having such varying characteristics as will suit the requirements of Second Party's customers, and to specify the setting time of such wall plaster, such setting time to be regulated by the First Party by variations in the amount of retarder added to such plasters during mixing. 10832 First Party shall not be responsible either to Second Party or Second Party's customers for the quality or performance of any plaster manufactured according to formula furnished by second party.

3. All paper sacks shall be furnished by the First Party at an additional cost to the Second Party of One Dollar (\$1.00) for each ton of plaster shipped in paper sacks. Such paper sacks shall be printed with such labels and branding marks as the Second Party may from time to time designate, and shall be of the same type and quality as is or shall be at the time regularly used by the First Party.

All crating of wall board or plaster board products shall be done by the First Party at an extra cost to the Second Party of Five Dollars (\$5.00) per M square feet, but shall be done only when directed by the Second Party.

All jute or cloth sacks shall be furnished by the Second Party and shall be in good condition when received. First Party shall not be responsible or liable either to Second Party or Second Party's customers for the condition of any jute or cloth sacks in which shipment is made. First Party will receive, condition and store all return shipments of Second Party's jute or cloth sacks in the same manner as it handles its own jute or cloth sacks, and will furnish Second Party, each month, a memorandum of account of 10833 the number of jute or cloth sacks received and the worthless sacks thrown out.

4. All shipments made hereunder by the First Party shall be made to the Second Party or the Second Party's customers, routed as Second Party shall direct, upon the written order of the Second Party, and all shipments shall be handled with the same promptness and efficiency as First Party handles its own shipments. First Party will invoice Second Party each month for all products shipped either to Second Party or Second Party's customers during the preceding calendar month, and for all paper sacks,

crating or other charges or expenses for which Second Party may be liable, and all such invoices shall be paid by the Second Party net, in cash, within ten (10) days after invoicing. Upon the failure at any time on the part of the Second Party to pay promptly any bill rendered by the First Party to the Second Party for products sold Second Party hereunder, or for any charges payable under this contract when the same are due and payable, First Party may withhold any and all further shipments or deliveries to Second Party or on Second Party's account, until payment in full is made, and if any such bills are not paid within a period of thirty (30) days after the same are due and payable, then the First Party may at its option terminate this agreement, with or without notice to the Second Party, provided that any such termination shall be without prejudice to any claim of either party against the 10834 other arising out of any breach of or failure to perform this agreement occurring prior to such termination.

First Party shall not compile and turn over to its Sales Department any sales data, customers' names or prices the knowledge of which is received by the First Party by reason of the sales and shipments made hereunder.

5. Second Party may, at its option, ship to First Party's plant at Plasterco, Virginia, any products manufactured by Second Party at any of its mills and required in mixed car shipments with products sold hereunder, and First Party agrees to warehouse all such products for the Second Party at a cost of One Dollar (\$1.00) per ton. All such products so warehoused shall be insured by the Second Party at its own expense, and First Party shall not be liable to Second Party for the loss, damage or destruction of any warehoused stocks except where grossly negligent in the handling thereof.

6. In the event the First Party shall for any reason whatsoever cease to manufacture the above products or any of them at its mill at Plasterco, Virginia, First Party will promptly notify Second Party thereof and will present to Second Party immediately thereafter a new schedule of prices f.o.b. cars its mill closest to Plasterco, manufacturing such product or products, covering the products the manufacture of which at Plasterco, Virginia, has 10835 been stopped, and Second Party may thereupon elect to accept such schedules or ship from other sources until the manufacture of such product or products is re-

suined by First Party at Plasterco, Virginia. (Such new schedule of prices shall bear approximately the same relation to cost of manufacture at the new mill as the prices herein stated bear to the cost of manufacture at Plasterco, if accepted by Second Party, and shall become a part of this contract the same as if originally set forth herein, in place of the schedule of prices f.o.b. cars Plasterco, Virginia, as long as any such products are not manufactured at Plasterco, Virginia; provided, however, that if the First Party permanently ceases to manufacture any such product or products at Plasterco, Virginia, and notifies the Second Party of that fact, Second Party may, at its option, cancel this contract with reference to any such product or products, the contract to remain in full force, however, as to all products which First Party continues to manufacture at Plasterco, Virginia.

7. In case either the First or Second Party shall at any time become bankrupt or insolvent or any bankruptcy or insolvency proceedings shall at any time be instituted against either party, or any proceedings shall be instituted for the appointment of a receiver or trustee for the 10836 assets, business or property of either the First Party or the Second Party, or any assignment shall be made by either the First Party or the Second Party for the benefit of creditors, then in any or either of such events the other party hereto may cancel this agreement by giving written notice of cancelation. This agreement may also be canceled by either party in case the other party shall at any time be guilty of a breach of any of the terms or conditions hereof. In case of a waiver of a breach of any of the terms and conditions of this agreement by either of the parties hereto, the same shall not constitute a waiver of any other or subsequent breach hereof.

8. First Party shall not be liable to Second Party for any failure to ship or delay in shipment of any order by reason of strikes, floods, shortage of cars, or any other cause or reason beyond the control of the First Party, whether or not of a class or kind specifically mentioned herein, and during the period of such delay the Second Party may purchase its requirements of the above products elsewhere until such time as First Party can resume regular shipments.

9. Any and all notices required to be served by the First Party upon the Second Party may be served by mailing a copy of such notice, registered mail, postage prepaid, ad-

10837 dressed to the Second Party at New York City, New York, and any and all notices required to be served by the Second Party upon the First Party may be served by mailing a copy of such notice, registered mail, postage prepaid, addressed to the First Party at 300 West Adams Street, Chicago, Illinois, and such mailing of notice shall in each case be deemed to be proper service of notice hereunder.

10. This agreement shall become effective on the date hereof and shall remain in force to and including December 31, 1937, and from year to year thereafter, provided, however, that this agreement may be terminated by either party hereto at any time during the term hereof by giving the other party sixty (60) days' prior written notice of cancellation, and at the end of sixty (60) days from the service of such notice of cancellation this agreement shall become terminated without any further notice or act.

11. This contract shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, but may not voluntarily be assigned by Second Party and shall not inure to the benefit of any successor without the consent of the First Party in writing first had and obtained.

10838 12. That certain agreement bearing date July 1, 1932, between the parties hereto, under the terms of which First Party agreed to sell and Second Party agreed to buy all Second Party's needs and requirements of the said gypsum products for sale to its customers in the said states, has been and is hereby terminated and canceled.

IN WITNESS WHEREOF, the parties hereto have hereunto set their Hands and Seals the day and year first above written.

UNITED STATES GYPSUM COMPANY

By O. M. KNODE,

Vice President

ATTEST:

T. R. PARRISH

Asst. Secretary

[SEAL]

CERTAIN-TEED PRODUCTS CORPORATION

By C. O. BROWN,

Vice-President

ATTEST:

NAME ILLEGIBLE

Asst. Secretary

[SEAL]

AGREEMENT made in duplicate this 15th day of January, 1936, by and between UNITED STATES GYPSUM COMPANY, an Illinois corporation having its principal office and place of business at Chicago, Illinois, hereinafter called "Seller", and CERTAIN-TEED PRODUCTS CORPORATION, a Maryland corporation having its principal office and place of business at New York City, New York, hereinafter called "Buyer", wherein the parties hereto agree as follows:

(1) Seller agrees to manufacture for and sell to Buyer, and Buyer agrees to purchase from Seller, f.o.b. cars or trucks, Laramie, Wyoming, at the prices and subject to the terms and conditions hereinafter stated, Buyer's entire requirements of the products listed below for shipment to its customers from Laramie, Wyoming:

Product	Container	Price f.o.b. cars or trucks, Laramie, Wyo.
Fibered cement plaster	100# paper bags	\$4.10 per ton plus cost of bags
Unfibered cement plaster	" " "	4.10 " " " " " "
Wood fibered plaster	" " "	4.50 " " " " " "

Provided, however, that the price to be paid by Buyer for each product listed above is based on the average cost of manufacture of such product per ton f.o.b. cars at 10840 Seller's Laramie, Wyoming, plant in the calendar year 1935 (exclusive of bags). At the end of each calendar year during the whole or any part of which this contract is in force and upon the effective date of termination, if termination becomes effective during any such year, Seller shall determine for such year or part thereof during which the contract is in force, the average cost of manufacture per ton f.o.b. cars (exclusive of bags) of each such product at such mill; and if the average cost of manufacture per ton as so determined exceeds the average cost of manufacture per ton of such product in the base year 1935, then the price to be paid by Buyer for each ton delivered to Buyer hereunder during such year or part year shall be increased by the amount of such excess per ton; and if the average cost of manufacture per ton as so determined is less than the average cost of manufacture of such product during the base year 1935, then the price to

be paid by Buyer for each ton delivered to Buyer hereunder during such year or part year shall be decreased by the amount per ton by which such cost is less than the average cost for the base year 1935. Such adjustment shall be made within sixty (60) days after the end of such year or the effective date of termination, as the case may be. "Cost", as used herein, shall mean the total mill cost of the product on cars or trucks at the mill in accordance with the method of computing such cost now employed by Seller, and 10841 shall include, without limitation, cost of packing and other preparation for shipment, formula cost, compensation insurance, fire insurance, payroll taxes and taxes on material inventory, but shall exclude depreciation, interest on investment, fire insurance and taxes on plant and equipment, and depletion of supplies of raw material. Buyer hereby grants to Seller the right to remove from its gypsite beds at Laramie, Wyoming, all gypsite required to manufacture products above listed; without charge, cost or other expense to Seller, but Seller shall not be required to use gypsite taken or removed from Buyer's gypsite deposits at Laramie, Wyoming, and in the event that during any calendar year or part thereof Seller uses, in the manufacture of products hereunder for Buyer, any gypsite from its own gypsite deposits, Buyer shall, within sixty (60) days after the end of such calendar year, or, if this contract is terminated during any calendar year, then on or before the effective date of termination, compensate Seller for such quantities of Seller's gypsite so used during such calendar year or part thereof at the rate of three cents (3¢) per ton; provided, however, that Buyer may at its option, in lieu of making the aforesaid payment and in full discharge thereof, convey to Seller by general warranty deed, within the time aforesaid, unimproved real estate, free and clear of all defects, liens and encumbrances whatsoever and located adjacent to gypsite deposits then owned by Seller 10842 at Laramie, Wyoming, and containing a quantity of gypsite useable in the manufacture of wall plaster at least equal to the quantity so used by Seller during such calendar year or part thereof; but before such option may be exercised by Buyer, Buyer shall submit to Seller a description of the real estate intended to be so conveyed, and evidence of title thereto in Buyer, free and clear of all liens, defects and encumbrances whatsoever, and that all taxes then assessed thereon have been paid in full, and Seller shall have ten (10) days after receipt thereof to notify Buyer of

any objections to the title of Buyer; and upon any such conveyance to Seller, real estate taxes for any period extending both before and after the date of conveyance shall be pro-rated between the parties hereto; provided, further, that if the parties hereto shall at any time or times agree upon some other period of time within which such payments or conveyances shall be made, then such payments or conveyances shall be made within the period of time so agreed upon. Seller agrees that any gypsite removed from Buyer's deposits at Laramie shall be removed in good and workmanlike manner, without unnecessary waste or damage thereto; and Buyer agrees that Seller shall not be liable for any loss, costs or damages suffered or sustained by Buyer by reason of Seller's removing gypsite from Buyer's property or the manner of removing such gypsite, except such as results directly from the gross negligence of Seller.

10843 (2) Seller agrees to stock at its warehouse at Laramie, Wyoming, a reasonable supply of the products listed in Exhibit A attached hereto and made a part hereof; and Seller agrees to sell to Buyer and Buyer agrees to purchase from Seller f.o.b. Laramie, Wyoming, Buyer's entire requirements of products listed in said Exhibit A for shipment to its customers in mixed cars or L.C.L. quantities in cars or trucks from Laramie, Wyoming, at the prices and in the quantities stated in said Exhibit A;

Provided, however, that Seller shall have the right to revise, amend, add to or detract from the said Exhibit A and the products and prices named therein at any time upon giving the Buyer written notice thereof; and

Provided, further, that Seller shall not be required to stock any such products for Buyer beyond twenty-five percent (25%) of the capacity of Seller's present warehouse.

(3) All products delivered hereunder shall be of the same grade and quality as like products manufactured by Seller for sale to its own dealer trade from its Laramie, Wyoming, mill; provided, however, that Buyer may from time to time specify the formulas to be used by Seller in the manufacture of any or all of the products listed in Paragraph (1) hereof, and all such products for which Buyer

has specified the formula shall be manufactured by
10844 Seller according to Buyer's formula and with materials of quality equal to those used by Seller at its Laramie, Wyoming, mill in the manufacture of similar prod-

ucts for sale to its own dealer trade and otherwise according to standard practices in the industry for the manufacture of similar products. The word "formula" as used herein shall be construed to mean only that Buyer shall have the right to specify quantities of ingredients such as fiber, lime, clay, talc, and similar materials which are added to stucco in order to produce wall plaster and to specify the setting time of such wall plaster, such setting time to be regulated by variations in the amount of retarder added to such products during mixing. Seller shall not be responsible either to Buyer or Buyer's customers for the quality or performance of any products listed in Paragraph One (1), unless it wilfully fails to follow formulas furnished by Buyer or to use materials of the same grade and quality used in its own formulas. All products listed in Exhibit A shall be manufactured by Seller according to Seller's standard formulas and specifications for manufacturing such products for sale to its own trade.

(4) All shipments made hereunder shall be made to Buyer or Buyer's customers upon Buyer's written order, and routed as Buyer shall designate, and all shipments shall be made with the same promptness and efficiency 10845 as Seller handles its own shipments. Seller agrees that sales data, customers' names, prices, etc., pertaining to Buyer's business will not be compiled and turned over to Seller's sales department. Seller will invoice Buyer each month for all products shipped on Buyer's orders during the preceding calendar month and all invoices shall be paid by Buyer net in cash within ten (10) days after date of invoice.

In the event Buyer shall fail at any time to promptly pay any bill rendered by Seller for products delivered hereunder or for any charges payable by Buyer under this contract when the same are due and payable, Seller may withhold any and all further shipments or deliveries to Buyer or its customers until payment is made in full, and if any such invoices or charges are not paid within a period of thirty (30) days after the same are due and payable, then Seller may at its option, at any time thereafter while such invoices or charges are unpaid, terminate this agreement by giving Buyer written notice thereof, such termination to become effective on the date stated in the notice, which shall not be less than forty-eight (48) hours after the giving of such notice.

(5) All paper bags required hereunder for the shipment of the products listed in Paragraph One (1) hereof shall be furnished by Seller, shall be of the same quality used by Seller for its own like trade, and shall be printed with such labels or brands as Buyer may from time to time designate; provided, however, that in the event Buyer at any time changes its labels or branding marks it shall first use up or pay for at cost all bags then on hand bearing the labels or branding marks which are being discontinued. The words "plus price of bags", as used in Paragraph One (1) hereof shall mean a price, to be fixed by Seller, which shall not in any case exceed the price Buyer would have had to pay for bags of the same type and quality delivered Laramie, Wyoming, at the time of the use thereof.

In the event any claim is made by Seller or by any third party that any labels or branding marks used by Buyer in connection with the sale of any of the aforesaid products infringe or conflict with the labels or branding marks of Seller or others, Buyer shall upon notice change its labels or branding marks to such labels and branding marks as do not in any way infringe or conflict with the labels or branding marks of others. And Buyer agrees in such event to purchase and pay for at Seller's cost all bags bearing the labels or branding marks complained of.

(6) Upon termination of this contract by lapse of time or otherwise, the purchase price of all such products theretofore shipped to Buyer or Buyer's customers shall become immediately due and payable, and Buyer agrees to accept delivery of and pay for all bags then in Seller's hands, bearing Buyer's labels or branding marks.

After the effective date of termination of this contract by lapse of time or otherwise, Seller shall not be obligated to make any further shipments of any of the aforesaid products, but no termination of this contract by lapse of time or otherwise shall relieve Buyer of the payment of any amounts of money due at that time for shipments previously made or for bags then on hand bearing Buyer's labels or branding marks.

(7) In case either party hereto shall at any time be adjudicated bankrupt or insolvent by a court of competent jurisdiction, or any assignment shall be made of the assets of either party for the benefit of creditors, then in either of such events, the other party may cancel this agreement by giving written notice of cancelation within thirty (30) days after the happening of such event has come to the notice or knowledge of such party.

(8) Any and all notices to be served hereunder by Seller upon Buyer may be served by mailing a copy thereof, postage prepaid, registered mail, addressed to Buyer at 100 East 42nd Street, New York City, New York; and any and all notices required to be served hereunder by Buyer upon Seller may be served by mailing a copy thereof, postage prepaid, registered mail, addressed to Seller at 300 West 10848 Adams Street, Chicago, Illinois; and such mailing of notice shall constitute proper service of notice hereunder.

(9) This agreement shall become effective on May 1, 1936, and shall remain in full force and effect to and including April 30, 1941; provided, however, that either party may terminate this agreement at any time by giving the other party at least sixty (60) days' prior written notice of termination.

(10) This agreement shall be binding upon and inure to the benefit of the respective successors and assigns of the parties hereto, but may not be voluntarily assigned by either party hereto without the consent of the other party first had and obtained, and upon any assignment hereof by operation of law, this contract may be canceled by the other party with or without notice.

IN WITNESS WHEREOF the parties hereto have hereunto set their hands and seals the day and year first above written.

UNITED STATES GYPSUM COMPANY

By O. M. KNODE,
Vice-President.

ATTEST:

C. H. THAYER,
Secretary.

[SEAL]

CERTAIN-TEED PRODUCTS CORPORATION

By CHESTER E. RAHR,
President.

ATTEST:

NAME ILLEGIBLE
Asst. Secretary.

[SEAL]

EXHIBIT A

Product	Container	Price f.o.b. cars or trucks, Laramie, Wyo.
Finishing plaster	100# paper bags	(\$ 9.20 per ton excluding bags (10.30 " " including bags
Moulding plaster	" " "	(10.10 " " excluding bags (11.20 " " including bags
Keene's cement	" " "	18.60 " " including bags
Hydrated finishing lime	5# " "	22.80 " " " "
Mason's hydrate	5# " "	21.00 " " " "
Wood fiber plaster	10# " "	14.25 " " excluding bags
3/8" Wallboard	None	26.91 " M sq. ft. (crating extra)
1/4" Wallboard	None	21.72 " " " " " "
3/8" Gypsum tile board	None	50.00 " " " " " "
Retarder	Sacks	3.00 " CWT in sacks
Hydrated lime	10# Sacks	28.35 " ton including sacks

10850

Government's Exhibit No. 278

LICENSE AGREEMENT

THIS AGREEMENT, executed in duplicate this _____ day of _____, A. D. 1929, by and between the UNITED STATES GYPSUM COMPANY, an Illinois corporation of Chicago, Illinois, hereinafter referred to as "Licensor," and _____, a _____ corporation, of _____, hereinafter referred to as "Licensee,"

WITNESSETH, THAT

WHEREAS, Licensor is the owner of all rights in and to an application for United States Letters Patent filed by Carlisle K. Roos, entitled "CEMENTITIOUS MATERIAL," now pending in the United States Patent Office and covering the process of forming a cellular product through the formation of a tenacious foam and mixing the foam with a cementitious material, and has heretofore acquired the sole and exclusive rights in the United States of America (when gypsum is used as the main binding material) in that certain application for United States Letters Patent filed by Erik Christian Bayer, entitled "METHODS OF

MANUFACTURING POROUS BUILDING MATERIALS" and relating to a process similar to that of said Roos application; and

WHEREAS, Licensee desires the right to manufacture and sell gypsum plasterboard and gypsum wallboard made by said processes described in said Roos and Bayer applications,

NOW, THEREFORE, in consideration of the sum of one dollar and other good and valuable considerations, receipt whereof is hereby acknowledged, the parties hereto do hereby agree as follows, to-wit:

1. Licensor agrees to disclose to Licensee all information and formulae which it now has or may obtain 10851 covering the process of making a cellular product through the formation of a tenacious foam and mixing the foam with cementitious material insofar as the same is or may be applied to gypsum, including all information and formulae for the manufacture of gypsum plasterboard and gypsum wallboard with such cellular product, together with a description of the machine or machines which it now has for making the same. It will assist Licensee to make its plant ready for the manufacture of said gypsum plasterboard and gypsum wallboard by furnishing to Licensee the advice and instruction of Licensor's experts and information with respect to the purchase and cost of said machines and appliances.

2. Licensor has agreed to and does hereby grant and give unto Licensee an indivisible and non-exclusive right, license and privilege of using the processes and/or inventions set forth and claimed in said Roos and Bayer applications for letters patent of the United States and in any patent or patents granted for or upon either of said applications, for the manufacture of gypsum plasterboard and gypsum wallboard at the plant or factory now owned and/or operated by Licensee at _____, in the State of _____, and at any other plant or factory which may hereafter be owned or operated by Licensee in the United States of America, and of manufacturing at said plants or factories, selling and using in the United States of America and the territories and possessions thereof gypsum plasterboard or gypsum wallboard embodying the inventions and improvements set forth and claimed in said applications for letters patent or in any patent or patents

granted for or upon either of said applications for the full term of any such patent or patents.

10852 It is expressly understood and agreed that the indivisible and non-exclusive right, license and privilege aforesaid is granted upon condition that the Licensor shall have, and it hereby reserves, the right to determine and fix at any time, and to change from time to time during the existence of said license but commencing with the date when a patent or patents shall have been granted or issued for or upon either of said applications the minimum price or prices at which the Licensee shall sell any gypsum plasterboard or gypsum wallboard manufactured by Licensee and embodying the improvements set forth and claimed in any such patent or patents, and in case Licensor shall exercise the right so reserved, it shall first serve written notice of its intention so to do upon Licensee accompanied with a statement of the minimum price or prices at which the Licensee shall sell said patented product, and thereafter shall give to the Licensee written or telegraphic notice of any change in such price or prices, and the Licensee expressly covenants and agrees that it will not at any time during the term of any such patent or patents, so long as this agreement shall continue in force and effect, and after the receipt of such notice, directly or indirectly, sell or offer for sale any gypsum plasterboard or gypsum wallboard embodying the improvements set forth and claimed in any such patent or patents at a price or prices less than that stated by the Licensor in said notice or in any such written or telegraphic notice of a change in such price or prices.

3. Licensee agrees to pay to Licensor for the said disclosures, information and assistance and the agree-
10853 ments of Licensor herein contained, and for the right, license and privilege of manufacturing and selling gypsum plasterboard and/or gypsum wallboard, and of using the processes for the manufacture of the same, embodying the inventions set forth and claimed in said applications for letters patent and in any and all letters patent which may be granted or issued for or upon either of said applications, an amount, hereinafter for convenience referred to as a license fee or royalty, equivalent to one per cent. (1%) of Licensee's selling price (not less, however, than twenty-five cents per thousand square feet) of all gypsum plasterboard or gypsum wallboard of every kind, whether or not embodying the said processes, inventions or improvements manufactured and sold by Licensee between the date

hereof and the date of the expiration of any such patent or patents, provided, however, that if no patent shall be issued or granted for or upon either the said Roos or Bayer applications within a term of two (2) years from January 1st, 1930, or from such earlier date as Licensee shall have commenced the manufacture of gypsum plasterboard and/or gypsum wallboard embodying said inventions and improvements in any of its said plants, then this agreement shall terminate at the end of said two (2) year term, and provided

10854 further that if letters patent upon final appeal shall be denied or refused for or upon both said Roos and Bayer applications at any time within said two (2) year term, or if at any time during the existence of this license the patents granted or issued for or upon said applications upon final appeal shall have been held invalid, then this license shall thereupon become terminated and cancelled.

4. It is expressly understood and agreed that the license herein granted shall be personal to the Licensee and that the same or any right therein or thereunder shall not be sold, assigned or transferred without the written consent of the Licensor, or transferred by operation of law.

5. Licensee agrees to keep separate full and accurate books of account and records showing the exact quantity of all gypsum plasterboard and gypsum wallboard manufactured and sold by it, and agrees that on or before the 20th day of each and every calendar month during the term hereof it will render to Licensor true written returns, verified under oath by an officer or other agent of Licensee, setting forth the quantity of all plasterboard and gypsum wallboard manufactured and sold by it during the preceding calendar month, together with the price or prices at which the same was sold, such written returns to be delivered to Licensor at its office in Chicago, Illinois, and Licensee agrees to pay to Licensor on or before the 20th day of each calendar month at the office of Licensor at Chicago, Illinois, the hereinbefore stipulated royalties or license fees which may then be due under this agreement on account of all of said gypsum plasterboard and gypsum wallboard manufactured and sold by it during the next preceding calendar month.

6. Licensor or its authorized representative shall have the right at all reasonable times during business hours to inspect the books of account and records of Licensee re-

ferred to in the next preceding paragraph hereof, 10855 including all records of every kind, showing the quantity of said gypsum plasterboard and gypsum wallboard manufactured and sold by it, the price or prices at which the same was sold and to make copies thereof and memoranda therefrom, provided, however, that if at the time of any such examination Licensee shall request it in writing such examination shall be made by a certified public accountant agreed upon between the parties hereto, in which event the expense thereof shall be borne equally by both parties. If the parties at any time shall not agree upon the certified public accountant to make such examination, then Licensor shall name three certified public accountants of good standing not otherwise employed by it, and if Licensee shall not accept any one of them, then Licensor shall have the right to make said examination itself.

7. Licensee agrees that all gypsum plasterboard or gypsum wallboard manufactured and sold by it embodying the claims of any of said applications for letters patent shall be distinctly marked with the words "PATENT APPLIED FOR," and that upon the issuance of any patent under or upon said applications for letters patent that all gypsum plasterboard or gypsum wallboard manufactured and sold by Licensee embodying the claims of any such patents shall be distinctly marked with the word "PATENTED" together with the numbers of such patents. Licensee further agrees to mark said gypsum plasterboard or gypsum wallboard with the words "LICENSED UNDER PENDING APPLICATIONS FOR LETTERS PATENT" prior to the issuance of any patent thereupon, and "LICENSED UNDER THE ABOVE LETTERS PATENT" after the issuance of any patent or patents thereupon, which markings shall be plainly visible.

8. Having regard for the fact that there are or may be certain manufacturers of plaster or gypsum products, 10856 jobbers, or other wholesale distributors of such products who do not or may not manufacture gypsum wallboard or gypsum plasterboard but who desire or may desire to have the same manufactured for them, it is understood and agreed that if Licensee shall manufacture gypsum wallboard or gypsum plasterboard embodying the inventions and improvements set forth and claimed in said applications for letters patent for any such other manufacturer, jobber or other wholesale

distributor the said license fee or royalty to be paid to the Licensor, as hereinbefore provided, shall be based upon all gypsum wallboard or plasterboard, whether or not the same shall embody the said improvements or inventions, manufactured for and sold and invoiced to such other manufacturer, jobber or other wholesale distributor, and upon the regular selling price of Licensee of such gypsum plasterboard or gypsum wallboard to its regular dealer trade at the time of such sale and invoice, and shall not be based upon the price at which the same is sold and invoiced by Licensee to such other manufacturer, jobber or other wholesale distributor, and provided further that after a patent or patents shall have been granted or issued upon either of said applications Licensee shall first obtain the written consent of Licensor to the sale of any such patented product to any such other manufacturer, jobber or other wholesale distributor. Nothing hereinbefore contained in this agreement shall be construed to give Licensee the right to manufacture gypsum plasterboard or gypsum wallboard embodying the inventions and improvements set forth and claimed in said applications for letters patent or in any patent or patents granted or issued for or upon either of said applications for other manufacturers, jobbers or wholesale distributors of such products, or to sell the same to such other manufacturers, jobbers or wholesale distributors, after the issuance of any patent for or upon either
10857 of said applications, without the written consent of Licensor.

9. The Licensee covenants and agrees that all of said gypsum plasterboard and gypsum wallboard manufactured and sold by it embodying the said improvements or inventions and commonly known in the trade as seconds shall be plainly invoiced as seconds and shall be plainly marked with a visible red stamp or label firmly fixed on each of said boards showing the word "SECONDS" in letters at least three inches in height.

10. As one of the considerations for the indivisible and non-exclusive license herein and hereby granted, Licensee hereby acknowledges the validity of any letters patent which may be granted or issued for or upon either of said applications forming the subject-matter of said license, so long as said license shall remain in full force and effect, and agrees that it will not at any time during the existence of said license, directly or indirectly, by itself,

through or together with another or others, contest the validity of either or any of said letters patent or the title thereto of Licensor or question in any way the prima facie scope of either or any of said letters patent.

11. In the event that either party shall at any time neglect, fail or refuse to keep or perform any of the conditions or agreements herein to be kept by it and performed, then the other party, at its election, may serve upon the party in default written notice of intention to terminate this license, which notice shall specify the alleged neglect, failure or refusal, and if within thirty (30) days from the date of delivery of said notice the party in default shall not cure the default specified in said notice, then the other party may cancel and terminate this agreement by notifying the party in default in writing of its election so to do, without the necessity of any court action, provided, however, that neither party shall be relieved thereby from any liability accrued at the time of such termination. In case at any time the Licensee shall be adjudged a bankrupt, then the License hereunder shall immediately be and become cancelled and terminated, but the Licensor shall not thereby be prevented from collecting all license fees or royalties accrued hereunder at the time of such termination. The waiver of any breach by either party shall not be interpreted as constituting a waiver of any further breach or breaches. Either party may specifically enforce this contract or any of the terms, conditions and covenants thereof by injunction or in such other manner as may be provided by law.

12. Any notice to be given under the terms hereof may be served by the Licensor or the Licensee by mailing the same to the Licensor or Licensee, postage prepaid, addressed to it at its last known principal office, and the deposit of any such notice in the United States mails, postage prepaid and so addressed, shall constitute service of notice hereunder.

13. It is understood and agreed that if at any time during the term hereof the Licensee shall in the judgment of the Licensor suffer substantial detriment by reason of any infringement upon the part of any person or persons of the said patents, whether now or hereafter issued, under which this license is granted, the Licensor will afford the Licensee such reasonable protection as in the judgment of the Licensor shall be necessary or proper.

In case the Licensor shall grant to any other person any license under said patents for the manufacture and sale of plasterboard or gypsum wallboard embodying the said inventions or improvements or any right under any such license, upon terms more favorable than those granted hereunder to this Licensee then it will grant to 10859 this Licensee a license on the same terms or extend to it the same right granted to any such other person.

14. The terms "gypsum plasterboard" and "gypsum wallboard" shall be understood to mean all board made of gypsum by whatever name called having the structural characteristics of gypsum plasterboard or gypsum wallboard, irrespective of the purpose for which the same may be sold or used, and shall include gypsum laths and all other gypsum boards.

15. Licensor agrees at any time during the term hereof to extend to Licensee upon its written request an indivisible and non-exclusive license or privilege to use said inventions or improvements for the manufacture in its said plants of any other gypsum product not specifically covered by this agreement and in which the Licensor shall use the same in its own manufacture, and to sell the same upon the payment to Licensor of one per cent. (1%) of the selling price of Licensee (not more, however, than twenty-five cents per thousand square feet where the same applies) of all such other products whether or not embodying the said inventions or improvements, manufactured and sold by Licensee, and upon the same terms as set forth herein and subject to all of the conditions hereof, in which event there shall be substituted for the words "plasterboard and/or gypsum wallboard" the name of such other product or products, and the words "not less than twenty-five cents per thousand square feet" wherever used shall be eliminated unless said other product is sold by the square foot as in the case of plasterboard or gypsum wallboard. Upon the request of Licensee as aforesaid, an agreement containing all of said terms and conditions shall be reduced to writing and signed by both parties before the same shall become effective, but Licensor shall at all times be obligated to execute the same.

16. If at any time after the expiration of five (5) years from the date any patent shall have been granted 10860 or issued for or upon either of said applications, there shall have been invented or come into use any

process for the manufacture of gypsum products which shall make the said cellular product obsolete or shall displace the same and the Licensor shall abandon the use of the same in whole or in part in its own manufacture, then Licensee, upon thirty (30) days' written notice to Licensor, shall have the right to cancel and terminate this license or any such other license, as in paragraph 15 hereof contained, to the extent that the Licensor shall have abandoned the use of said cellular product in its own manufacture, provided, however, that if any such partial abandonment by Licensor shall consist of manufacturing and selling any plasterboard or gypsum wallboard without the use of said cellular product therein, then the amount to be paid by Licensee hereunder shall be reduced by one per cent. (1%) of the selling price of Licensee (not less, however, than twenty-five cents per thousand square feet) of any plasterboard or gypsum wallboard manufactured and sold by Licensee without the use of said cellular product, or if such partial abandonment shall consist of manufacturing and selling any other product covered by any license issued under paragraph 15 hereof without the use of said cellular product therein, then the amount to be paid by Licensee thereunder shall be reduced by one per cent. (1%) of the selling price of Licensee (not less, however, than twenty-five cents per thousand square feet thereof, where such term applies) of the same product manufactured and sold by Licensee without the use of said cellular product therein, and this license or such other license shall in all other respects remain in full force and 10861 effect.

17. If the Licensor shall at any time during the existence of this agreement, make or obtain any improvement of the inventions set forth and claimed in either of said Roos or Bayer applications or make or obtain any new or improved method of forming or making cellular products, then so long as the Licensee shall continue to pay the license fee or royalties hereinbefore stipulated, the right, license or privilege herein or in any such other license, as in paragraph 15 hereof contained, shall be extended to and include the use of such improvement and/or new or improved method, for the manufacture of gypsum plasterboard or gypsum wallboard or other gypsum product covered by such other license, and selling and using said gypsum plasterboard and gypsum wallboard or other gypsum product embodying said improvement and/or new and improved method, subject to all of the terms and

conditions hereinbefore contained, except only that Licensee shall not be required to pay any additional sum, royalty or license fee therefor. It is further understood that if a patent or patents shall be granted or issued upon any such improvement and/or new or improved method, then all the provisions of this agreement as well as the provisions of paragraph 2 hereof reserving the right in Licensors to determine and fix at any time and to change from time to time the minimum price or prices at which Licensee shall sell any gypsum plasterboard or gypsum wallboard manufactured by Licensee and embodying the improvements set forth and claimed in any patent or patents granted or issued for or upon either of said first two applications, shall apply to the improvements and inventions claimed or set forth in any patent or patents granted or issued for or upon any such improvement and/or new or improved method.

10862 18. This license and all of the covenants and agreements hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, but nothing in this paragraph shall be construed to permit an assignment hereof by the Licensee, except as hereinabove specifically provided.

IN WITNESS WHEREOF the parties hereto have caused these presents to be signed by their respective presidents, attested by their respective secretaries and their corporate seals to be hereunto affixed in duplicate the day and year first above written.

UNITED STATES GYPSUM COMPANY

By _____
Its President.

ATTEST:

Secretary.

By _____
Its President.

ATTEST:

Secretary.

10863

Government's Exhibit No. 279

ATLANTIC GYPSUM PRODUCTS COMPANY
40 Central Street
BOSTON, U.S.A.

MAY 24, 1927.

MR. SEWALL L. AVERY, *President*
United States Gypsum Company
300 West Adams Street
Chicago, Illinois

DEAR MR. AVERY:

I have delayed my reply to your letter of May 16 relative to wallboard seconds until I could check for myself the facts as they apply to our business here in New England. As you saw from our statement to you covering April wallboard sales, they were certainly not of sufficient size to be a disturbing factor in any market. This question of wallboard seconds, however, we have considered seriously, and as you may have heard from Mr. Henning, the matter was discussed in Buffalo at a meeting of wallboard manufacturers operating under the license agreement. We concurred with the general opinion that selling seconds in certain markets was undesirable to all concerned and, consequently, we have restricted our wallboard seconds sales to such territory as might absorb them with least disturbance to the trade in general. We do not sell seconds in the Metropolitan area of Boston but we have sold them in Maine and other outlying districts.

Our policy is to sell as few seconds anywhere as is possible under our circumstances, and to cut up seconds stock to sell as plaster lath. You, of course, appreciate the situation we are in at this time in getting a new wallboard plant running smoothly. Seconds will run at a much higher percentage during this period than they should later on. If any of our friendly competitors would like to show us how to eliminate seconds in our manufacture, we should be delighted to receive their advice.

It seems to me each wallboard manufacturer must have some outlet for his #2 board. This outlet is logically in territory fairly near his plant as this reduced price commodity cannot bear much freight. Here in New England we are hoping to be able to accomplish that same result and dispose of our necessary seconds output with as little

5836

damage to established markets as is possible. This, 10864 of course, is primarily a selfish viewpoint on our part but I can readily see why adherence to this will benefit the industry as a whole as well as it should benefit our own company.

I wish to thank you especially for your advice in this matter and to assure you that it is much appreciated.

Sincerely yours,

WILLARD P. FULLER,
Treasurer.

WPF:A

10865

Government's Exhibit No. 280

MAY 29, 1929.

MR. W. P. FULLER
*Atlantic Gypsum Company
40 Central Street
Boston, Mass.*

DEAR MR. FULLER:

Enclosed is a form of the bundle license, fully executed by us and ready for your signature. There is also enclosed for your consideration and comment a first outline of the suggested bubble system license.

I have found no suitable opportunity heretofore to express appreciation for your active and successful cooperation in the settlement of our patent litigation. I assure you that this has been a decided benefit in relieving the industry of its legal mess, which should be and is greatly valued by all those affected.

Yours very truly,

President.

10866

Government's Exhibit No. 281

ATLANTIC GYPSUM PRODUCTS COMPANY
40 Central Street
BOSTON, U.S.A.

MAY 31, 1929

MR. S. L. AVERY, *President*
United States Gypsum Company
300 West Adams Street
Chicago, Illinois

DEAR MR. AVERY:

Thank you for your letter of May 29, with enclosures of the bundle license contract in duplicate and the outline for the bubble system license. We will act on both these matters promptly.

Thank you also for your expression in regard to the now happily completed settlement of the patent litigation in the wallboard field. Whatever we have done has been based on a sincere, even if self-interested, desire to help in eliminating from a fundamentally good industry in which we have a moderate part the elements of litigation and controversy that have been so largely responsible for our recent troubles.

Sincerely yours,

WILLARD P. FULLER,
Treasurer.

WPF:A

10867

Government's Exhibit No. 282

ATLANTIC GYPSUM PRODUCTS COMPANY
New England Division
40 Central Street
BOSTON, U.S.A.

22 JULY 1929

MR. M. H. BAKER,
c/o National Gypsum Company,
Buffalo, New York.

DEAR MEL:

Please pardon my delay in acknowledging the receipt of your letter of 12 July. I have been almost continually out of town, and have had no opportunity to reply to your letter.

5838

Mr. Fuller, Mr. Channing and I are planning to arrive in Chicago on Wednesday. We shall stop either at the University Club or at the Palmer House.

If you can conveniently arrange to do so, it might be advantageous for you and all concerned, for you to be there that day so that we may talk over the Foam Board contract in advance of the meeting to be held on Thursday.

Very truly yours,

L. I. NEALE

LIN:N

10868

Government's Exhibit No. 283

ATLANTIC GYPSUM PRODUCTS COMPANY
40 Central Street
BOSTON, U.S.A.

AUGUST 9, 1929

MR. M. H. BAKER, *President*
National Gypsum Company
Buffalo, New York

DEAR MR. BAKER:

I have just received your letter of August 8 enclosing your memorandum covering the meeting of wallboard manufacturers in Chicago August 6. This is a sound presentation of the case and makes it unnecessary for me to write one for our records here, as I shall use your copy. Thank you for sending it.

I expect to be in Montreal two days this next week, probably the 14th and 15th. The following week I am starting on quite a trip and will probably take Mrs. Fuller with me. I plan to be in New York, the 21st; Ottawa, the 22nd; Montreal, the 23rd; and then on to Nova Scotia for about a week's stay there, getting back to Boston about the first of September.

What is the possibility of connecting with you at some point on this trip, preferably in New York?

Sincerely yours,

WILLARD P. FULLER,
Treasurer.

WPF:A

10869

Government's Exhibit No. 284

ATLANTIC GYPSUM PRODUCTS COMPANY
INCORPORATED
Rock Plaster Division
40 Rector Street, New York

29 AUGUST 1929.

MR. M. E. BAKER, Pres.,
National Gypsum Company,
Buffalo, New York.

DEAR MEL:

Mr. Fuller being in Nova Scotia, I am a little out of touch with the board situation in Chicago. About all I know is that the meeting which was scheduled for last Thursday was called off because of some difference between your Company and the Universal Gypsum & Lime Company, and that it was expected a meeting might be held this week.

I should appreciate very much if you would let me know promptly the present state of affairs in regard to the getting together of the various manufacturers for signing up the combination bubble starch patent, stating what is holding this matter up and what in your opinion is likely to be the eventual outcome.

Very truly yours,

ATLANTIC GYPSUM PRODUCTS COMPANY INC.,

L. I. Neale
L. I. NEALE,
General Sales Manager.

LIN:IRC

5840

10870

Government's Exhibit No. 285

ATLANTIC GYPSUM PRODUCTS COMPANY
INCORPORATED
Lincoln Building
60 East 42nd Street
NEW YORK

2 MAY 1932

UNITED STATES GYPSUM COMPANY,
300 West Adams Street,
Chicago, Ill.

Att: Mr. C. F. Henning, V.P.

GENTLEMEN:

As a licensee under license contract existing between us, we would inquire at what price the Kelley Plaster-board Company, also a licensee, is selling gypsum wall-board and gypsum plasterboard to the Structural Gypsum Corporation, a non-licensee, for resale by them and also whether or not the regulation of the licensor in regard to a minimum quantity of 5,000 sq. ft. for pick-ups in the Metropolitan area as contained in the licensor's bulletin dated 12 April 1932 is being enforced in regard to sales of the patented articles by the Structural Gypsum Corporation?

Very truly yours,

ATLANTIC GYPSUM PRODUCTS CO., INC.
L. I. NEALE,
L. I. Neale
Vice President.

LIN:AB

10871

Government's Exhibit No. 286

30 MARCH 1933.

W. P. FULLER
L. I. NEALE
LEON H. FLEMING

At the last meeting of the board licensees I was asked by Mr. Henning exactly how Leon H. Fleming was remunerated by F. B. Lawton, Inc. You will recall that some time ago the Board Survey Company asked us about Fleming's remuneration and that I replied that Fleming was an employee of F. B. Lawton, Inc.

They raise the question again now because it is felt that the requirement concerning the remuneration of salesmen of gypsum wallboard and/or gypsum plasterboard of paying a commission applies not only to the manufacturer who makes the board, but also to any selling agency employed by that manufacturer.

The question which was asked about Fleming is also asked about the salesmen of the Oakfield Gypsum Products Corp. and the Structural Gypsum Corp. both of which companies purchase board from Kelley.

The licensor feels that he has a right to demand that salesmen employed by such companies as Structural, Oakfield, F. B. Lawton, Inc., Tomkins-Rockwall Corp., etc. should not receive their remuneration on a commission basis. This seems to me to be fair for it would be foolish to exact this rule for manufacturers in their direct selling and not to imply the same rule to manufacturers' selling agents.

It is my belief that Fleming is not paid on a commission basis unless some very recent changes have been made by Lawton. This being the case, I should like to be able to inform the licensor of the method used by Lawton if this be agreeable to you.

ATLANTIC GYPSUM PRODUCTS CO., INC.

L. I. Neale
L. I. NEALE,
Vice President.

LIN:AB
cc-C. A. WARREN
R. H. HALLOWELL

10872

Government's Exhibit No. 287

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

20TH AUGUST 1934

MR. L. I. NEALE, *Vice President*
Atlantic Gypsum Products Co.
60 East 42d Street
New York, New York

DEAR MR. NEALE:

At the board license meeting May 23d 1934 we presented you with a contract for the reflective backing of plasterboard and wallboard.

5842

It was the intention to license all of our board licensees, and to date we have received nothing from you in regard to your position on this matter.

Please give me your comments or criticism.

Very truly yours,

C. F. HENNING,
Vice President.

10873

Government's Exhibit No. 288

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO.

6TH SEPTEMBER 1934

ATLANTIC GYPSUM COMPANY
60 East 42d Street
New York, New York

Attention Mr. L. I. Neale, *Vice President*

Subject: *Metallized Plasterboard*

DEAR SIR:

On August twentieth I wrote you regarding the license contract for reflective backing on plasterboard and wall-board.

It is our intention to license the wallboard manufacturers to manufacture this product under license.

I have received word from the National Gypsum Company, Certain-teed and Universal that they are agreeable to enter the license.

Please let me know your intentions.

Very truly yours,

C. F. HENNING,
Vice President.

10874

Government's Exhibit No. 289

MEMORANDUM

Date SEPTEMBER 6, 1934.

To Mr. L. I. NEALE

From W. P. FULLER

Subject Aluminum Back Gypsum Board

1. We have been considering this matter, and, although favorably inclined to the idea of taking a license from U.S.G. on the Alfol patents when and if we do put out this sort of product, are not yet ready to act. You can pass this on to U.S.G.
2. For your own information, there is another group of patents that may make a more desirable license set-up. The costs of manufacturing equipment, quality and range of products, etc. are factors to be determined.
3. The time element also comes in. A lot of work and money have got to be spent getting this type of product accepted in volume. I would rather see U.S.G. and National bear the brunt of this work, and hop on when the bus is running. Where we are sure a license will be available to us when we want to go in, we need only watch any sales handicap to us by not having the product to offer with our present lines. When and if this handicap hurts us more than making the necessary expenditures in plant and promotion, we shall probably go in.
4. Offhand, the primary objection I see in the license U.S.G. offers is that it is restricted to *gypsum* plasterboards. Perhaps this is all they have to offer in their control of the Alfol patents. The best product may come as an insulating or structural board, not necessarily gypsum, with the aluminum treatment. I would want to be sure U.S.G. includes in their license to us *all* the rights they have from *their* license covering the Alfol patents.

WILLARD P. FULLER

WPF:A

5844

10875

Government's Exhibit No. 290

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

30TH NOVEMBER 1934

MR. L. I. NEALE, *Vice President*
Atlantic Gypsum Products Co.
60 East 42d Street
New York, New York

DEAR MR. NEALE:

On October eighth I submitted to you final form of contract for reflective surface plasterboard. I have heard nothing from you since your letter September fourteenth. I expect to be in New York Wednesday, December fifth, and will go over this entire matter with you.

Very truly yours,

C. F. HENNING,
Vice President.

10876

Government's Exhibit No. 291

MEMORANDUM

Date NOVEMBER 30, 1934

TO MR. L. I. NEALE

FROM MR. R. H. HALLOWELL

SUBJECT NICKEL-PLATED GYPSUM LATH

Before Willard left for England via New York, we discussed the necessity of our carrying in stock aluminum foil lath. Willard thinks we can temporarily buy this either from the U.S.G. or National Companies and later make it ourselves if conditions warrant. Willard expected to talk with Henning before he sailed, but if he did not do so, asked me to take this matter up with you and have you talk with either Henning or Baker.

The U.S.G. here in Boston is very decent in selling Tile Board to us, not stamped with their name. If we could buy unlabeled Nickel-Plated Lath it would be fine.

I think it very important that we should secure some of this lath at once, and would like to carry a carload of it in Portsmouth stock. We have had several requests for it, the most important being from Kesseli & Morse of Worcester, who want a few thousand feet and will buy a mixed car from National, unless we can supply it.

Please let me hear from you.

R.H.H.

10877

Government's Exhibit No. 292

MEMORANDUM

Date DECEMBER 3, 1934

To MR. L. I. NEALE
From C. A. WARREN

Subject

We return to you, duly executed in duplicate by A.G.P., license agreement with U.S.G. for the use of foil on plaster-board. We also enclose herewith the original draft, with notations in pencil of the changes as compared with the executed agreement.

What seems to me to be the most important one is in Paragraph X, where they changed the word "manufactured" to "sold", thereby limiting our paying royalty to what we sold rather than what we manufactured.

C. A. WARREN

CAW/BW

10878

Government's Exhibit No. 293

5 DECEMBER 1934

R. H. HALLOWELL
L. I. NEALE

ALUMINUM COVERED GYPSUM LATH

In reply to your memorandum of 3 December I would inform you that before Willard left for England he signed the license agreement with the U.S.G. for the manufacture and sale of gypsum board covered with aluminum foil. Although we shall not be in a position to manufacture this product for some little time, I have made arrangements with the U.S.G. Co. for the purchase of aluminum covered gypsum lath and have ordered a car to be shipped from Oakfield to our Portsmouth plant on Friday of this week which should reach Portsmouth by Monday. Before that time, I shall expect to have in your hands a price filing on this material.

ATLANTIC GYPSUM PRODUCTS Co., INC.

L. I. Neale

L. I. NEALE,

Vice President.

LIN:AB

5846

10879

Government's Exhibit No. 294

10 DECEMBER 1934

MR. C. F. HENNING, *Vice Pres.,
United States Gypsum Company,
300 West Adams Street,
Chicago, Ill.*

DEAR MR. HENNING:

Enclosed you will find in duplicate the plasterboard agreement for Metallized (Aluminum Covered) Gypsum Wallboard and Gypsum Lath duly signed and executed by the officers of this corporation. We would ask you to be good enough to execute these documents and return one of them to me for our files.

May we point out that Paragraph VIII is not entirely satisfactory in that you, as licensor, do not assume any obligation to indemnify us, as licensees, against any judgment, order, or decree that may result from a suit or action brought against us. It is our suggestion that this paragraph be rewritten to take better care of the objectionable feature and offer it as a supplement, or rather amendment, to the present agreement.

Very truly yours,

ATLANTIC GYPSUM PRODUCTS CO., INC.

L. I. Neale,
L. I. NEALE,
Vice President.

LIN:AB
Encl.

P.S. Will you be good enough when you return the executed copy of the agreement to send me an additional copy.

cc-W. P. FULLER
C. A. WARREN

5847

10880

Government's Exhibit No. 295

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

NOVEMBER 27, 1935.

MR. L. I. NEALE, V. P.,
*Atlantic Gypsum Products Company,
205 East 42d Street,
New York City.*

DEAR MR. NEALE:

In connection with your purchases of 5/16" metallized gypsum lath which you may have occasion to make from us, we will allow you the usual 12½% manufacturer's discount from the net price after deduction of basing mill freight. In other words, in those areas where a delivered price on 5/16" patented metallized gypsum lath has been established, we would first deduct the freight from that mill which normally governs price on other types of metallized patented gypsum lath for the destination involved, and your discount would be figured on the net price at that mill.

Very truly yours,

UNITED STATES GYPSUM COMPANY
H. F. SADLER,
Ass't General Sales Manager.

HFS:AB

10881

Government's Exhibit No. 298

23: MARCH 1936

CONFIDENTIAL

W. P. FULLER
L. I. NEALE

NEAT PLASTER IN METROPOLITAN NEW YORK

This memorandum is being written so that upon your return from Bermuda you may have before you a picture of what has occurred during your absence in reference to the price situation on neat plaster in metropolitan New York.

On 29 February the American Cyanamid Company sent a letter to dealers in metropolitan New York (this comprises Manhattan, Bronx, Kings, Queens, Richmond, Nassau, Suffolk and Westchester Counties) stating that after 1 March they would take no contracts for specific jobs, and that on 1 April the price of neat plaster, concrete bonding plaster and sanded plaster would be raised 25¢ per ton. U.S.G. followed with a similar announcement to the trade a few days thereafter. No other company followed. This plan, as you can readily guess, was put forward by Cyanamid with the knowledge of U.S.G.,—no one else was taken into their confidence.

This plan to raise prices was utterly worthless for two reasons; (1) it was not fair; (2) it was impracticable. It was not fair because Cyanamid and U.S.G. have signed a great many specific job contracts at the \$7.50 price. We have signed very few, and Ebsary, so far as I am able to determine, has signed very few. Under the plan as soon as the price of \$7.75 became effective, all of the contracts which Cyanamid and U.S.G. has signed would be validated. So long as the price of Ebsary, ourselves and other gypsum companies remains at \$7.50, the specific job contracts of Cyanamid and U.S.G. taken at that price are hardly worth the paper they are written on, because dealers would be free to buy any brand of plaster at the contract price. With the validating of their contracts by raising the price 25¢ these two companies, particularly Cyanamid, would have a virtual monopoly on all of the business in New York. Because competition being so keen between dealers no dealer could afford to pay even 25¢ a ton more.

The plan was impracticable because it made no provision for any protection of specific jobs after 1 March. C. F. H. has told me that he did not feel that it was possible for the gypsum industry to get away from giving protection and that this was a really fundamental principle of his company. This being so, it was utterly absurd to make a statement to the trade that protection would not be taken at any price after 1 March. Furthermore, at the time of putting forth this plan, no provision whatsoever had been made for reporting specific job contracts or policing them.

Ebsary would have nothing whatsoever to do with this plan and definitely stated to the trade that they would not

follow: When I was in Chicago the week before last I went over this whole situation thoroughly with C. F. H. and pointed out to him that the plan was not really a plan at all and contained no element which would insure its success in raising the price. You may recall that some months ago Fred Ebsary advanced the idea that a small raise of 25 or 50¢ would be a good idea provided that there was no protection at all. He did not say it would be a good idea if there was a tremendous amount of protection at \$7.50 in the files of gypsum companies. Therefore the plan did not follow Ebsary's idea of a small raise at a time.

I also pointed out to C. F. H. how unfair such a plan as this was to companies which had no or very little coverage.

After the adjournment of the Gypsum Association meeting in Chicago there was held a meeting of the directors of the old Gypsum Statistical Institute which is still in existence although it has not been operating for a couple of years. The purpose of the meeting which was called at the request of C. F. H. was to set the machinery of the Institute in operation again and to use the personnel of the Association for this purpose. The idea back of it was to provide some means for reporting specific job contracts in the New York area. You may have forgotten but you were a member of the Board of Directors of the Gypsum Statistical Institute and as there has been no election since the last meeting held, which I believe was in the early part of 1933, you would still be a director because no successor has been elected. A waiver of notice of the meeting was past around to those who were present and you may or may not, after we talk the matter over upon your return, wish to sign the waiver.

10883 Last Tuesday C. F. H. was in New York (primarily for the purpose of taking over the Asbestos Company out in the Newark flats) and while here I put up to him a plan which I felt at least had the chance of working and which on the whole was fair to all concerned. It is not an original plan, because I have taken a leaf out of the book of the Ohio Finishing Lime Producers. It is this: that after some predetermined future date specific job contracts shall only be taken at a certain price. The price I had in mind was \$9.00,—and the price for stock requirements of dealers should not be changed at this time

at all. In other words, after 1 April specific job contracts should be protected only at \$9.00. All companies should immediately report to the Gypsum Statistical Institute their outstanding contracts at \$7.50 and at some later date, maybe three months or six months when these contracts have been cleaned up or nearly cleaned up, then the market price for stock requirements could be raised up to the level of \$9.00 at which specific job contracts had been signed up.

By this program you will see that an end would be put to taking any more contracts at \$7.50 and an incentive would be given to all companies to clean up their \$7.50 contracts as quickly as possible in order to get the increased price. As a result of this talk the following day the U.S.G. put a notice out to the trade to the effect that after 1 April they would take specific job contracts only at \$8.50 per ton, and that there would be no change in the price of stock requirements. In other words, they accepted the plan but felt that a dollar raise was better than \$1.50 which I had in mind. I followed the U.S.G. with a letter to the trade two days later, copy of which is enclosed.

This is where the situation stands at the present time. Ebsary himself has just returned from the south and has not made up his mind whether he will follow or not. It is my guess that the plan would appeal to him but that he would want some agency for receiving reports on the protected jobs and the checking of these jobs other than the personnel of the Gypsum Association. I am afraid that tying the Gypsum Statistical Institute, of which Ebsary is still a member, up to the Gypsum Association will not appeal to him. This remains to be seen.

10884 At any rate, here is at least an attempt to set up something that will give us an increase in price of \$1.00 at some future date, which is better than having nothing at all operative or even in mind. If the plan works, and like every other plan its working would depend upon mutual confidence and a mutual will to make it work, it will be at least six months before we can hope to raise the market price for stock deliveries.

ATLANTIC GYPSUM PRODUCTS COMPANY, INC.

L. I. NEALE,
Vice President.

LIN:MK

10885

Government's Exhibit No. 299

THE AMERICAN GYPSUM CO.

AUGUST 15TH, 1929

MR. A. R. BLACK,
*American Gypsum Company,
 Port Clinton, Ohio.*

DEAR MR. BLACK:

Again referring to the U.S.G. Clause referring to jobbers and answering yours of the 14th.

The U.S.G. Company refused to consider allowing us to sell jobbers. As I explained to you last week I am still unable to understand Mr. Avery's last move as I was under the impression from our phone conference that we had agreed on everything but the bundler patent, which was either to be dropped entirely or signed up meeting their demands and under the circumstances I feel Mr. Avery was very hasty and did not appreciate my efforts in concluding the agreement with his Company.

Will insist on the privilege of keeping the jobbers we now have as I feel as you do about their strangling us unless we have some protection.

Respectfully yours,

JNO. A. KLING,
Chairman.

Jno. A. Kling
 TR

10886

Government's Exhibit No. 300

NATIONAL GYPSUM COMPANY
 General Offices, Buffalo, N. Y.

JUNE 23, 1934

MR. ARTHUR BLACK,
*The American Gypsum Co.
 Port Clinton, Ohio*

DEAR ARTHUR:

Pursuant to our conversation yesterday, I am attaching copy of our attorney's report on U.S.G.'s proposed license contract covering aluminum foil wallboard.

Very truly yours

M. H. BAKER,
President.

MP

JUNE 18, 1934.

NATIONAL GYPSUM CO.
188 Delaware Ave.
Buffalo, N. Y.

GENTLEMEN:

Re: Non-Exclusive License to Manufacture
Metallized Gypsum Board

The agreement submitted wherein the United States Gypsum Company proposes to license National Gypsum Company to manufacture, use and sell plaster board having a metallized surface embodying certain inventions set forth in the patents and applications set forth in Schedule "A" attached to said agreement, has been reviewed by me.

In my opinion, the agreement is satisfactory, save in the following respects:

1. Paragraph 9 of the proposed agreement is unreasonable in respect to the payment for examination of Licensee's books, and I would suggest and strongly urge that the last sentence of paragraph 9 of the proposed agreement be revised to read as follows:

"Gypsum Company shall have the right to make copies of any such records and make memoranda therefrom, provided that if, at the time of such examination, Licensee shall so request, such examination shall be made by a certified public accountant satisfactory to Gypsum Company, in which event the expense of such examination by said certified public accountant shall be borne equally by both parties."

2. Paragraph 10 of the proposed agreement is quite unnecessary, and casts upon the Licensee a great administrative burden. The report is of no consequence to the Licensor as a regular report. If the Licensor desires such information from time to time, it has the right to examine the books of the Licensee and obtain such data. I am informed that this subject has given no trouble in the Gypsum Board Agreement and I see no reason for placing the additional burden upon the Licensee in order to get the information regarding the amount of board manufactured having a metallized surface. I therefore recommend the elimina-

tion of the first clause in paragraph 10 and a limitation of the report to be made to the total amount of plaster board having a metallized surface sold by Licensee during the preceding calendar month, together with the prices at which said board is sold, etc.

I further recommend that the report should be called for on the 20th of each month, instead of the 15th day, in order that this agreement will coincide with the wall-board and dry insulation agreements under which the Licensee now makes reports which are due on the 20th day of each month.

3. Paragraph 11 also contains a covenant which seems to be unreasonable and unwarranted. Licensee is asked to covenant that it will not manufacture board with a metallized surface, except pursuant to bona fide sales thereof. I agree that no goods should be manufactured to be sent out on consignment, but that situation can be covered very acceptably without compelling Licensee to agree that nothing will be manufactured except pursuant to bona fide sales made thereof. The paragraph as now written would prevent the Licensee from manufacturing for experimental purposes and for warehouse stock. The text referring to manufacturing should be omitted from the paragraph.

4. Paragraph 13 as written in the proposed agreement should be stricken out and a paragraph substantially as follows should be substituted:

"The Licensee hereby agrees as one of the considerations for the indivisible and non-exclusive rights, licenses and privileges herein and hereby granted, that the Licensee will not during the life of this agreement, dispute the validity of any patent or patents, under which it is hereby licensed; nor aid others in doing so. But, in the event that any such patent, under which Licensee is licensed, is held invalid or of limited construction

10889 whose decision no appeal is or can be taken, then the Licensee shall have the right to make, use or vend the structure so held to be outside of the scope of said patent rights, free and clear of the terms of this agreement."

5. The proposed agreement gives no protection to the Licensee, in the event of suits brought by others against

the National Gypsum Company or any other Licensee for infringement. Some protection must be had and I therefore suggest that a clause be added substantially as follows:

"That the Licensor shall indemnify the Licensee against any and all actions, suits, claims, demands, or prosecutions, that may be brought or instituted, against the Licensee, and, also, against all damages, costs and expenses, including attorney's and counsel fees; that the Licensee may pay, or incur, or become liable for, in defending, or compromising, the same, or any of them, in consequence of making and/or selling the aforesaid patented article. The Licensee agrees to give prompt notice of any suit or action which shall be brought against it and thereupon if the Licensor shall desire to conduct the defense of such suit, the Licensor shall have the right to do so, but the Licensee shall have the right in such event to be represented in such suit by counsel of its own selection."

There are many other minor objections to the agreement as proposed, but I assume from our conversation that in the interest of harmony in the Industry, that you did not desire to have me make any objection to any matters contained in the proposed agreement, which are not, in my opinion, of major importance.

I believe that if the agreement is amended as suggested above, that the National Gypsum Company will obtain the rights and privileges it desires to manufacture gypsum board having a metallized surface.

Very truly yours,

(Signed) ELMER E. FINCK

10890

*Government's Exhibit No. 301***NATIONAL GYPSUM COMPANY**

General Offices
Gold Bond Products
Buffalo, New York

SEPTEMBER 17, 1934

MR. ARTHUR R. BLACK
The American Gypsum Co.
Port Clinton, Ohio

DEAR ARTHUR:-

I talked to Mel this morning and he tells me that we did not effect any change in that paragraph on the foil license that had to do with protection against suit but we accepted the paragraph substantially as U.S.G. had written it.

Yours very truly,

NATIONAL GYPSUM COMPANY

RFB

Vice President.

RFBurley/B

10891

Government's Exhibit No. 302

SEPT. 18, 1934

MR. RALPH BURLEY
National Gypsum Co.
Buffalo, N. Y.

DEAR RALPH:

Many thanks for your favor of the 17th inst., advising that you were not able to have the particular paragraph in the foil license changed; and in the same mail with your letter there arrived a communication from Charlie Henning, stating why they could not change this clause. We are, therefore, replying to Mr. Henning's letter, advising that we are ready to sign the contract.

Very truly yours,

THE AMERICAN GYPSUM CO.

ARB:IW

General Sales Manager.

5856

10892

Government's Exhibit No. 305

MR. EUGENE HOLLAND,
c/o Universal Gypsum & Lime Co.,
Chicago, Ill.

DEAR SIR:

Our price on Neat Plaster for the City of Cleveland is \$8.00 per ton, exclusive of sacks, f.o.b. Port Clinton, and our rate is \$2.20 per ton. Our shipments of Neat Plaster to Cleveland are in paper sacks.

It is my understanding the other Gypsum Companies operating in Cleveland are quoting this same price, and I hope you will find it convenient to use this same figure for any quotations to dealers in Cleveland.

Will you favor me with your advice as to how you feel about this?

Yours very truly,

ARTHUR R. BLACK.

ARB/FAA
Port Clinton, Ohio,
October Sixteenth,
Nineteen Hundred Twenty-eight.

10893

Government's Exhibit No. 306

OCT. 17, 1928

MR. ARTHUR R. BLACK
Port Clinton, Ohio.

DEAR SIR:

We believe that we are able to get as much as our competitor for Neat Plaster or any other gypsum commodity. Our policy has been and will be to meet competition, and we will be glad to continue this policy in Cleveland.

I thank you for giving me your opinion as to the market conditions in Cleveland.

Very truly yours,

EH:W

President.

10894

Government's Exhibit No. 307

THE AMERICAN GYPSUM CO.
General Offices and Mills
Port Clinton, Ohio

OCTOBER 16, 1930.

MR. CHARLES HENNING, *Vice President,*
United States Gypsum Company,
300 West Adams Street,
Chicago, Illinois.

DEAR CHARLEY:

Replying to your favor of the 14th inst., regarding the report from your salesman on the National Housewrecking Company, North Belmont Avenue, Springfield, Ohio, we wish to advise that your letter, making the price on Seconds the same as Firsts, was dated April 7th, and we sent out our notices to the trade April 8th. Our salesman took an order on April 11th, from the National Housewrecking Company, Springfield, Ohio, for 9500 feet of Seconds—as he understood they were committed for this amount—shipment of the same to be made on April 20th. This is the last shipment of Seconds we have made to these people, and we have not offered to sell them any more Seconds since the date of the above transaction.

In support of the above transaction, I am enclosing our salesman's order. From the above facts you will see that the stock that the National Housewrecking Company has at present, of our Board, is old stock from the shipment of April.

Our salesmen are not offering any Seconds to the trade, neither are they giving our customers to understand that we will supply them with any more Seconds.

We wish to thank your salesman for the compliment paid our Board when he stated they look like Firsts, as this is the first time any one ever paid our Seconds such a compliment.

Yours very truly,

ARB/s.

ARTHUR R. BLACK.

5858

10895

Government's Exhibit No. 308

UNITED STATES GYPSUM COMPANY
300 West Adams Street
Chicago

20TH AUGUST 1934

MR. A. R. BLACK, *Vice President*
American Gypsum Company
Port Clinton, Ohio

DEAR MR. BLACK:

At the board license meeting May 23d 1934 we presented you with a contract for the reflective backing of plaster-board and wallboard.

It was the intention to license all of our board licensees, and to date we have received nothing from you in regard to your position on this matter.

Please give me your comments or criticism.

Very truly yours,

C. HENNING,
Vice President.

10896

Government's Exhibit No. 311

"OLD FORT DRUMMOND"

SUNDAY, SEPT. 26th.

Dear Jim—

Yours of Sept. 20th, containing copy of suggested "License Agreement" reached me yesterday. I also received letter from Charles Miller relating to this subject.

I will give the document careful reading, but I feel certain that I will be unable to get much, if any, satisfaction out of it.

It looks to me that while the Chicago people are doing much talking about the "good to the industry", they are at the same time trying to scalp us, or hope to get our entire hide or at least wing us.

It will be interesting to know what Jno. A. K. thinks about the whole matter and the position he will take when conclusion must be reached.

We will close up the cabin by Tuesday next and go to Detour, will remain there a couple of days and return home by rail by the way of the Soo.

Mrs. Davis is fine and sends kindest regards to yourself and Mrs. McCrady.

Yours truly,

J. B. DAVIS

10897

Government's Exhibit No. 310

THE ROLL MANUFACTURING COMPANY
ROMACO
Mortar Colors — Stucco Retarder
Cleveland

SEPTEMBER 16, 1926.

MR. J. B. DAVIS,
*Detour,
Chippewa County,
Michigan.*

MY DEAR J. B.:

Was certainly pleased to receive your letter of the 9th. and to note from the same that you were relieved of your hay fever on Lake Huron. Hope that it is gone for the Season.

Am also pleased to note that Mrs. Davis is well and that you have Warren and his family with you. I sincerely hope that the trip will do Mrs. Warren Davis much good. From the description of her troubles I can readily realize that anything that can help to build her up will be a great blessing.

Spent Monday and Tuesday of this week in Chicago with J. H. and F. J. We had sessions on Monday with our Attorneys, Bill Shearer, Mr. Avery and the Universal Company's Patent attorney. On Tuesday we had another long session with Mr. Avery. The things that have developed at these sessions will come up at the next meeting, but I can tell you briefly that we are in for a ten years' contract on practically the terms that were outlined in the original contract. A few things have been modified, but the most objectionable things plus the payments stand. On the present rate of business this will amount to about \$75,000.00 per year for the next three years and a total of about \$187,000.00 for the following seven years, beside the cash payment of \$50,000.00. There is also no assurance that this agreement can stabilize the market after the expiration of three years. It is a long-headed, well thought out plan on the part of the U. S. G. to tie up the various Companies to the payment of quite a sum of money each year for a period of years without in any way tying them to anything.

We have one alternative and that is to refuse to put our signature on the dotted line and fight the cases which are now pending. If we lose we will be at the mercy of the Master to whom the matter of the question of damages will

be referred and in addition to that take a chance on the U. S. Company refusing to license us to do business for the 10898 balance of term of the Utzman patents.

I asked Attorney Pool for an absolutely frank statement as to what he thought our chances were in the two cases now pending. He stated promptly that he thought we would win in the Utzman case, because we are not infringing these patents, but he had his doubts about the Birdsey case and he figured that the Attorneys for the U. S. Company would undoubtedly ask the Courts to try the Birdsey case first, as they know this is their strongest case. If this procedure was followed the longest delay that we could get before a decision was rendered would be one and a half to two years. It would mean that we would have one and a half to two years that we could manufacture if they won the case and then we would have to make open edge board until the Utzman patent expires.

Griswold reports business continuing good and is again quite enthusiastic over proposed mergers and combinations that he says are forming. It seems this subject cannot be gotten out of his system.

Both Mrs. Miller and the writer extend best wishes to the Davis families and we hope that your stay at "Old Fort Drummond" will be exceedingly pleasant.

Yours very truly,

C. F.

CFM.H

10899

Government's Exhibit No. 312

JUNE 10, 1929

MR. S. L. AVERY, *President,*
United States Gypsum Company,
300 West Adams Street,
Chicago, Ill.

DEAR MR. AVERY:

Referring to your recent letter on the subject of bundling Gypsum Lath, will say that we are anxious to do what the Industry does so as to have a uniform product and help the development of the business. As far as I know, our plan of bundling has been meeting our requirements, but I am hoping that your own plan will be a much better one and afford an economy which would also justify its use.

I have felt that the license should not forbid a development of better conditions, so your License Contract tying a Licensee down to using it over a period of seventeen years regardless of any improvements that might be developed by you or others, seems doubtful business for all of us as we all want to develop economies and improvements from time to time. If we should find an improvement we would be glad to offer it to yourselves, or the trade, and if others should find improvements we would hope for such cooperation and to be allowed to take advantage of such development. I feel confident that you will approve of these ideas and am asking our office here to re-draw the license plan covering this feature and forward it with this letter. I will not be here to look it over as I am leaving on the Idler for a couple of days at West Point during the Commencement exercises there.

I hope you had a delightful visit at Greenwich, and with regards, I am

Very truly yours,

President.

GMB:LK
Enclosure.

5862

Reproduction affixed on opposite page

Handwritten: 3-16-35-R
Certain-teed Products Corporation

FOR NEW YORK

DATE

FROM CHICAGO

44095

OFFICE

9584

ATTENTION OF

MR. J. WHITTEMORE, V. C. O.

SUBJECT

PERFORATED GYPSUM LATH

ANSWERING YOURS

3/5 to Mr. Van Hagan

DICTATED BY

WARREN HENLEY - M

313

cc-Mr. C. O. Brown, V. P. - New York
 Mr. H. H. Van Hagan - Buffalo

Handwritten: a.w.
 Your memo, of above reference, and as well Mr. Van Hagan's reply of March 7;

On March 11, '36, Mr. Henning called a conference of licensees. Those present were:

FILED
 NOV 1936
 CHICAGO & ST. LOUIS, MO

Messrs. Henning	- U. S. G.
Sadler	- "
Neale	- Atlantic Gypsum
Black	- American Gypsum
Burley	- National Gypsum
Price	- Counsel
Van Hagan	- Certain-teed
Henley	- "

Item No. 1-2-3-4

Mr. Henning presented their position in respect to subject matter, as follows:

1. As announced February 19, '36, they propose to place this material on the market on or about April 1, '36.
2. They were willing to license on a basis of 10% per M sq. ft.
3. Propose to set a minimum price of \$15.25 per M f.o.b. mill.
4. Estimated cost of production-15% per M sq. ft.
5. Were willing to supply such companies, as accept a license, with perforated lath on the usual discount basis (12 1/2%), pending installation of equipment by such licensees.
6. Standard size - 3/8" thickness - 16"x48" - bundled.

The following objections were expressed to the proposed procedure (above outlined).

1. Altogether too short a time for proper consideration not only of patent situation, royalty asked, production difficulties, but also the effect on present Gypsum Lath market.
2. Royalty of 10% per M was too high in view of low selling price. Consensus of opinion was that present royalty now being paid covering "feem", "starch" and "bundling" was ample and, therefore, no additional royalty should be paid for the perforated feature.
3. Consensus of opinion was that selling price should at least carry \$1.00 per M premium, i.e., \$16.00 mill, inasmuch as perforated lath would be competitive with metal lath and adaptable to fireproof construction in the better class of homes. It was thought advisable to introduce this product carrying at least \$1.00 per M premium rather than disturb the entire lath market involving an approximate footage of 200,000,000 feet for the year 1936.

10900

Handwritten: any

5864

Reproduction affixed on opposite page

~~SECRET~~
Chicago,

Mar. 18, 1936.

New York

Mr. Warren Healey

PERFORATED GYPSUM LATH

of 3/15

A. Whittemore, V.C. - LC.

CC-Mr. C.O. Brown, New York
Mr. H.H. Van Hagan, Buffalo

Item No. 1-234

Your report of the 13th is most interesting. As we see this situation, there is nothing much to do now except to await developments and see if U.S. G. is willing to revise their ideas along the lines suggested at the meeting.

Please keep us advised of anything that may occur.

10901

2-16-34-02

10902

4. Comment was made that Bureau of Standards' test covered partition construction only (not ceiling) and the plaster used was "Neat" and two to one "Sanded" — neither of which plasters are generally used by the trade. Mr. Henning stated that his company had made ceiling tests in their own laboratories and found same to be satisfactory. A suggestion was made that Bureau of Standards should test perforated lath for ceilings and as well use the "usual" type of plaster available.

5. Comment was made that mechanical key lath (including perforated) had been used on the Pacific Coast for the past twenty years, such as "Key Hold", "Button Lath" and "Lock Lath".

6. Comment was made that present status not only on perforated but regular wallboard does not apply to West Coast producers and there is no license arrangement in effect.

In conclusion, Mr. Henning stated that he would discuss with his management this entire situation and advise later; however, there was no commitment to prevent their placing this material on the market around the first of April, as originally planned.

Mr. Van Hagan attended this conference and is present during the writing of this memo. We outline below our general comments and as well affirmative and negative sides of the questions.

GENERAL: — Perforated Lath will weigh less — thus having a freight advantage. Disadvantage is that Lath will require about 5% additional plaster. Marketing of this product would require additional lath stocks by dealers. They now carry 5/16"; 3/8" and Metallized, together with various widths and lengths.

IN FAVOR OF LICENSE:

- (a) Would permit our use of present fire test data — (over one hour fire rating) thus avoiding expense of tests which would be required if we proceeded to manufacture our own design of perforated lath.
- (b) Licensor would assume the responsibility for any litigation either in sustaining their patent or because of alleged infringement of Makowski ("Key Hold") owned by Paraffine.

- (c) Avoid our own patent investigation and opinion expense.
- (d) Secure production on our own machines more rapidly.
- (e) Avoid sales resistance on non-tested product.
- (f) Save development expense on manufacturing equipment, etc.
- (g) Strengthening of license arrangement.
- (h) Proposed increase in selling price to cover royalty and extra manufacturing cost.

10903 AGAINST LICENSE:

- (a) In accepting, we recognize a very flimsy (in our opinion) patent.
- (b) Payment of royalty for life of patent of 10¢ per M.
- (c) Royalties now paid seem ample to cover questionable patent situation on the perforated feature.
- (d) The general market trend is toward lower lath prices to meet wood lath competition, thus narrowing margin of profit. Therefore feel that the \$1.00 per M or the 25¢ per M premium suggested would not necessarily be maintained for any definite length of time.
- (e) In our opinion, any form of perforated lath (similar to that used on West Coast) would be acceptable for general home use.

CONCLUSION:

Mr. Van Hagan and I have discussed this matter and feel that any conference we might have with Mr. Henning (at this time) would be unwise and would tend to weaken the position generally taken by licensees at the conference. However, I will plan on seeing Mr. Henning on other matters next week, and if no statement has been issued by that time I will informally undertake to discuss this situation further and advise all concerned.

PERFORATED GYPSUM LATH
New York — Chicago

MR. A. WHITTEMORE, V. C.
WARREN HENLEY — M

3/25/36

cc—MR. C. O. BROWN, V. P. — New York
MR. H. H. VAN HAGEN — Buffalo

In further reference my memo. March 23, above subject:
Have just discussed subject matter with Mr. Burley of
National Gypsum Company and outline below their definite
feeling in the matter:

1. Are of the opinion that patent is very weak.
2. To use Burley's expression, they feel U.S.G. have a lot of "crust" in asking a 10¢ per M royalty.
3. National's Patent Attorney has advised them to go ahead and manufacture a Perforated Lath with, however, a different size hole and, perhaps, staggered as to location.
4. Burley stated that U.S.G.'s alleged patent on Standard "X" had been thrown out. Further, that U.S.G. some time ago claimed to have a patent involving a certain type of edge (to prevent calcination in drying) and National proceeded to manufacture a similar type without, however, receiving any notice to "desist" from U.S.G.; in fact, received a phone message requesting National to change slightly the color of their edge in order that same would not conflict in appearance with U.S.G.'s type of edge.
5. Burley is definitely of the opinion that U.S.G. will not take an alleged infringement (involving Perforated Lath) into court, inasmuch as it would involve probably all of their patents and there might arise some serious question as to the validity of U.S.G.'s patent position and the question would arise as to whether or not same were used as a "vehicle" for price control purposes.
6. Burley felt that Certain-teed having stepped out and developed "Plastisized Plaster" and as well "Twin Mounted" Board were, in the opinion of the trade, an independent concern and not necessarily tied to U.S.G.'s apron strings and, therefore, it was his opinion that our accepting a license on Perforated Lath would put us back where we

started, i.e., dependent on U. S. G. for the development of new Gypsum products.

7. Mr. Burley stated that they had already ordered, some three or four weeks ago, a drilling machine to perforate lath, at a cost of some \$2500., and same should be installed very shortly at their Clarence Center, New York plant. Mr. Burley stated that they would be willing to furnish us Perforated Lath, provided we would stand our share of the subsequent litigation, if any. In his opinion, no such litigation will develop and he further advised that if Certainfeed, Atlantic and National stood firm on this proposition and refused to accept a license that a "pooling" of the three interests and a three-way division of the expense, both in development and necessary tests at Bureau of Standards, would be very helpful under the circumstances, and would, no doubt, bring about a change in U.S.G.'s position, 10905 and would also permit of accepting a license from U.S.G. without any additional royalty, other than what is now paid on our present Lath production.

I asked Mr. Burley to give Mr. Van Hagan the "high points" of our conversation. I also suggest that this memo. be retained in your personal files.

5870

Reproduction affixed on opposite page

*On the
basis of
the
information
and
the
fact
that
the
patent
position
is
good
and
the
policy
is
sound
and
the
recommendation
is
promptly
develop
a
perforated
gypsum
lath
incorporating
1/2" hole,
same
to
be
staggered
along
lines
suggested
by
Mr.
VanHagan
when
he
was
last
in
Chicago.*
Certain-feed Products Corporation

FOR

NEW YORK

DATE

3/23/36

FROM CHICAGO

EX.

OFFICE

315

ATTENTION OF

MR. J. H. HENNING

SUBJECT

PERFORATED GYPSUM LATH

ANSWERING YOURS

3/18

DICTATED BY

WARREN HENLEY - M

cc-Mr. C. O. Brown, V. P. New York
Mr. H. H. Van Hagan - Buffalo

12-21-43
Book 8017

in No. 1-2-64

Friday, March 20, discussed subject matter with Mr. Henning of Licensor most informally; however, Mr. Henning stated that he had discussed this situation with Mr. Avery after Licensee Conference, March 11, and it was their opinion that they would proceed to market subject material in accordance with the policy originally announced - February 19, inasmuch as they felt their patent position "good".

It is my personal opinion, from the informal discussion held with Mr. Henning, that they are "bluffing" but in either event it is my recommendation that we promptly develop a perforated Gypsum Lath incorporating 1/2" hole, same to be staggered along lines suggested by Mr. VanHagan when he was last in Chicago.

The nailing device which Mr. VanHagan showed us would be well to develop also but in my opinion it will not be as "acceptable" as the Perforated Lath, inasmuch as we would have this additional item to sell; same would have to be stocked at each of our plants and it would require an additional package to be furnished along with each shipment taking a different freight classification, etc. etc.

Mr. Cowan and I have discussed this matter and he concurs in the above recommendation.

10906

25/11

5872

10907

Government's Exhibit No. 316

CERTAIN-TEED PRODUCTS CORPORATION
1830 Bankers Building
105 West Adams Street
Chicago, Ill.

OCTOBER 26, 1938

MR. WILLIAM L. KEADY, *Vice President*
United States Gypsum Company
300 West Adams Street
Chicago.

Re: Perforated Gypsum Lath

DEAR MR. KEADY:

In accordance with our phone conversation, will you kindly advise in respect to the payment made by us of royalty during the period — May 2, 1938 to September 1, 1938, — this in the amount of \$480.07.

You will recall that as licensor you discontinued the 25¢ per M premium as of May 2, 1938, and shortly thereafter Mr. Baumhoger requested the immediate discontinuance of royalty payments as of the date above mentioned.

You will also recall that the writer discussed this situation with you in respect to the elimination of premium, particularly in view of the definite verbal commitment on the part of Mr. Henning that licensor would undertake to maintain a 25¢ per M differential for perforated over plain.

You are, of course, also familiar with the fact that competitive companies have not paid from the beginning and are not now paying the 10¢ per M royalty, and we, therefore, request payment for the amount above mentioned.

Hoping you will give this matter your favorable consideration and letting us hear from you by early mail, we remain,

Sincerely yours,

WARREN HENLEY,
Merchandise Manager,
Gypsum Division.

WH:k

10908

Government's Exhibit No. 317

CERTAIN-TEED PRODUCTS CORPORATION
100 East 42nd Street
New York

MAY FIFTEENTH, 1929

MR. S. L. AVERY, *President,*
The United States Gypsum Company,
300 West Adams Street,
Chicago, Ill.

DEAR MR. AVERY:

As we have assumed that we will take out a license for making closed edge board under certain conditions, which we have discussed, and as we are informed that a new license contract has been drawn, I wish you would let us have, as early as may be convenient, a copy of the old license contract and also a copy of the new so we may prepare ourselves for prompt action whenever the matter may be ready for further consideration.

With regards, I am

Yours very truly,

GEO. M. BROWN,
President.

GMB:LK

10909

Government's Exhibit No. 318

5-18-29

MR. GEO. M. BROWN
Certain-teed Products Company
100 E. 42nd Street
New York City

Mr Kling has sent in a contract with material changes and declares he will not attend meeting unless these changes are accepted by us Stop We cannot accept them and regret that the Tuesday meeting will be futile unless other companies wish to proceed as outlined without American license.

S. L. AVERY

5874

10910

Government's Exhibit No. 321

U. S. GYPSUM SUIT
New York

Office

MR. GEORGE M. BROWN, *Pres.*
ROBT. M. NELSON, *Treas.*—S

FEB. 23, 1928.

cc—MR. ADKINS, of Cravath, Henderson.

MR. MITCHELL, of Kenefick, Mitchell, Cook & Bass.
At about 1:45 P.M. today the following item appears on the news ticker:

"Beaver Board Merger.

Chicago — U. S. Gypsum has filed suit in the U.S. District Court here for an injunction to restrain The Beaver Board Companies and Beaver Products Company, Inc. from entering into a consolidation with Certain-teed Products Corporation, claiming that under merger arrangements it would be prevented from collecting royalties on Beaver Wallboard which it agreed to accept in 1926 in settlement of a \$4,000,000 claim for infringement of Wallboard Patents owned by U. S. Gypsum Company."

10911

Government's Exhibit No. 322

MARCH 2, 1928.

MEMORANDUM REGARDING THE POSSIBILITY
OF MAKING PLASTER BOARD
UNDER THE ROYALTY BASIS.

ROBT. M. NELSON, *Treas.*—S.

Answering yours of March 1st.

Without going into the details of whether we can make as much money as, or more than, Beaver Board on Open Edge Gypsum Board, I should like to comment on some of the broader aspects of this situation.

When the plan of taking over The Beaver Board Companies came up and I called your attention to the complicated situation in that company, the strongest argument advanced by you for taking over these properties was the

fact that if we made our company a larger and stronger concern, it would put us in a better position to obtain peace in all divisions of our business, and that if we stood still and remained in a "weakened" position tradewise, we might suffer serious consequences, if the price situation should become bad on all sides. Discussions were had at the time in which the sentiment and the policy seemed to be one of conciliation and a desire for peace in all divisions of our business, and enlargement of our company would be a means towards that end, according to the theory discussed at that time.

It seems to me then, and it seems to me now, that size, while important, would not of itself bring about the desired peace, but that in order to attain this goal it would be necessary for us to do a certain amount of giving as well as taking. I feel, therefore, that in the matter of the U. S. Gypsum suit, we should not too readily be willing to enter into a long and costly war, when at the same time we are engaged in battle in the floor covering division, and when the price situation in the roofing division is in such a demoralized state as it is. I believe that in order to preserve outstanding position we should do a little more than average giving to obtain peace in the gypsum division of our business, and rather than go into a war and a long, drawn-out suit, I would strongly favor taking over the Beaver Board License Agreement as it is, making an effort, however, to limit the application of the License Agreement to the Beaver Board plants. I think it is a far more serious situation to go into such a fight right after the consummation of a deal of this kind, and find it necessary to reduce or omit dividends on Common Stock, than if this condition were brought about in the company as it now stands. I think it is a poor policy, furthermore, to enter into a three-cornered fight and have to wage war on three enemies at the same time, and think that we should have peace in at least one of our divisions while we are making war on the others.

We would pay royalties at the higher rate only up to August 1929, and from that point on the $1\frac{1}{2}\%$ isn't large enough to make any difference one way or the other to us. The cost of a legal and trade war undoubtedly would be far in excess of the royalties we would pay.

5876

10912

Government's Exhibit No. 323

UNITED STATES OF AMERICA,
NORTHERN DISTRICT OF ILLINOIS,
EASTERN DIVISION, ss

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION
Equity 7907

UNITED STATES GYPSUM COMPANY,
a corporation, Complainant.

v.

THE BEAVER PRODUCTS COMPANY, INC.,
THE BEAVER BOARD COMPANIES, and
CERTAIN-TEED PRODUCTS CORPORATION, Defendants

BILL OF COMPLAINT

To the Honorable Judges of Said Court:

The United States Gypsum Company, a corporation organized and existing under and by virtue of the laws of the State of Illinois, brings this, its bill of complaint, against The Beaver Products Company, Inc., The Beaver Board Companies, and the Certain-teed Products Corporation, and respectfully shows unto your Honors as follows:

1. That the United States Gypsum Company is a corporation duly incorporated and existing under the laws of the State of Illinois, with its principal office and place of business in Chicago, Illinois, and a citizen and resident of the State of Illinois; that The Beaver Products Company, Inc. is a corporation duly incorporated and existing under the laws of the State of New York, with its principal office and place of business in the Town of Tonawanda, Erie County, in the State of New York, and a citizen and resident of the State of New York and of the Western District of New York; that The Beaver Board Companies is
10912 a corporation duly incorporated and existing under the laws of the State of Delaware, with its principal office and place of business in the City of Wilmington in the State of Delaware, and a citizen and resident of the State of Delaware; that Certain-teed Products Corporation is a corporation duly incorporated and existing under the

laws of the State of Maryland, with its principal office and place of business in Baltimore, Maryland, and a citizen and resident of the State of Maryland; that the matter in controversy herein exceeds, exclusive of interest and costs, the sum or value of Three Thousand Dollars (\$3,000.00).

2. That on or about the 26th day of June, 1911, Clarence W. Utzman was the original and sole inventor and discoverer of a new and useful improved method of manufacturing plaster board as well as the product of said method, not known or used by others in this country or elsewhere before his invention or discovery thereof and not theretofore patented; that so being the original and sole inventor thereof the said Clarence W. Utzman made due application according to law on, to-wit: the 26th day of June, 1911, for Letters Patent of the United States therefor, and thereafter by written instrument duly filed in the United States Patent Office, all right, title and interest in and to said invention and in any Letters Patent granted therefor was duly assigned by the said Clarence W. Utzman to the United States Gypsum Company, a New Jersey corporation, with its principal office and place of business in the City of Chicago, State of Illinois; that thereafter and on to-wit: the 11th day of June, 1912, upon said application and in conformity to law and in accordance with said assignment, Letters Patent of the United States of America dated June 11, 1912, numbered 1,029,328, were duly granted, issued and delivered to the said United States Gypsum Company, whereby there was granted and secured to it, its successors and assigns, for a term of seventeen years from and after the 11th day of June, 1912 the exclusive right to 10914 employ said method in the manufacture of plaster board throughout the United States and territories thereof and to practice the said invention and discovery aforesaid, a description whereof was given in the schedule annexed to said Letters Patent and made a part of the same, as by reference thereto or to a duly certified copy thereof here in court to be produced and shown unto your Honors will more fully and at large appear.

3. That thereafter, upon the direction of the Commissioner of Patents, the plaster board, the product of said method, was made the subject matter of a divisional application for Letters Patent, and thereafter was in the same manner, by written instrument duly filed in the Patent Office, duly assigned by the said Clarence W. Utzman to the said United States Gypsum Company as aforesaid; that

thereafter, and on to-wit: August 6, 1912, upon said divisional application, in conformity to law and in accordance with said assignment, Letters Patent of the United States of America, dated August 6, 1912, numbered 1,034,746, were duly granted, issued and delivered to the said United States Gypsum Company, whereby there was granted and secured to it, its successors and assigns, for a term of seventeen years from and after the 6th day of August, 1912, the exclusive right to make, use and vend to others, to be used throughout the United States and territories thereof, the invention and discovery of said plaster board as aforesaid, a description whereof was given in the schedule annexed to said Letters Patent and made a part of the same, as by reference thereto or to a duly certified copy thereof here in court to be produced and shown unto your Honors will more fully and at large appear.

4. That thereafter, and on to-wit: the 26th day of August, 1920, the said United States Gypsum Company, a corporation organized and existing under the laws of the State of New Jersey, duly changed its name under said laws to the Avery Gypsum Company; that by mesne 10915 assignment from said Avery Gypsum Company to the United States Gypsum Company, an Illinois corporation, all right, title and interest in and to said Letters Patent Number 1,029,328, granted June 11, 1912, and Number 1,034,746, granted August 6, 1912 including all right to recovery for past infringement and all rights of whatever name and nature therein and thereunder, was duly transferred to your orator, the United States Gypsum Company, an Illinois corporation having its office and principal place of business in the City of Chicago in said State of Illinois, whereby the said United States Gypsum Company acquired all right, title and interest in and to said Letters Patent and in and to all matters of interest in the suit hereinafter mentioned, including the right to conduct the same and to recover for past infringement, as by said assignment, or a duly authenticated copy thereof, here in court to be produced will more fully and at large appear.

5. That the said improvement and invention as aforesaid was and is of great utility and value, the novelty, utility and value of which had been greatly acquiesced in by the public, and that the said United States Gypsum Company, a New Jersey corporation, and your orator, the United States Gypsum Company, an Illinois corporation,

have manufactured large quantities of plaster board according to said method and have extensively introduced said improved plaster board into public use at great expense and sold large quantities of the same, and that it has been favorably received by the public.

6. That the Bestwall Mfg. Company, a corporation organized and existing under the laws of the State of Delaware, well knowing the premises and the rights of the said United States Gypsum Company, a New Jersey corporation, under said Letters Patent, with intent to violate said rights and deprive the said United States Gypsum Company, a New Jersey corporation, of the profits and advantages thereof since the granting of the said Letters 10916 Patent and since June 11, 1912 and since August 6, 1912 and within six years prior to the commencement of the suit hereinafter more specifically mentioned, without the consent of the said United States Gypsum Company, a New Jersey corporation, at Chicago, Illinois and elsewhere throughout the United States, manufactured and sold plaster board embodying the improvements secured exclusively by the said Letters Patent 1,029,328 and 1,034,746, and continued its unauthorized manufacture and sale thereof at Chicago, Illinois and elsewhere as aforesaid, in defiance of the rights of the said United States Gypsum Company, a New Jersey corporation, as aforesaid, and that the said plaster board so manufactured and so sold by the said Bestwall Mfg. Company without any license or consent as aforesaid infringed the claims of the said Letters Patent Number 1,029,328 and Number 1,034,746, and that said infringement caused the said United States Gypsum Company, a New Jersey corporation, great damage, loss and injury; that the said Bestwall Mfg. Company made and realized large profits and advantages from its infringement of the said patents of an amount, as your orator is informed and believes and upon such information and belief so states the fact to be, in excess of One Million Dollars (\$1,000,000); that notice was given to the said Bestwall Mfg. Company and to the public of the existence of said Letters Patent by marking the plaster board embodying said patented improvement since the date said Letters Patent were issued with the word "PATENTED," together with the date said Letters Patent were issued, and in addition thereto the said United States Gypsum Company, a New Jersey corporation, caused written notice to be given the said Bestwall Mfg. Company of the existence of said

Letters Patent, ownership thereof by the said United States Gypsum Company, a New Jersey corporation, and the defendant's infringement of the same, and requested 10917 the said Bestwall Mfg. Company to desist and refrain from said infringement, but that the said Bestwall Mfg. Company disregarded said notice and refused to desist from said infringement and continued to manufacture and sell in said districts and elsewhere within the United States said infringing plaster board.

7. That the said United States Gypsum Company, a New Jersey corporation, prior to the assignment of the said Letters Patent to your orator, the United States Gypsum Company, an Illinois corporation, and on to-wit: the 18th day of July, 1917, filed its amended bill of complaint in the United States District Court, Northern District of Illinois, Eastern Division, on the equity side thereof, against the said Bestwall Mfg. Company, a corporation, as defendant in a suit then pending in said United States District Court, entitled United States Gypsum Company, a corporation, complainant, v. Bestwall Mfg. Company, a corporation, defendant, in equity number 779; that in and by said amended bill of complaint all of the facts as aforesaid with respect to the making of the said invention and discovery, the application for Letters Patent thereupon, the assignment thereof to the United States Gypsum Company, a New Jersey corporation; the issuance of the said Letters Patent to the said United States Gypsum Company, and the infringement thereof by the said Bestwall Mfg. Company were fully set forth and alleged; that it was prayed in and by said amended bill of complaint that the defendant therein named should answer all and singular the allegations contained in said amended bill of complaint and should render a just and full account of all gains, profits and savings unlawfully realized by the said defendant and should be compelled by the decree of said court to pay such gains, profits and savings to complainant in said suit and pay the costs thereof and desist from further infringing complainant's rights in the premises; that it was 10918 further prayed in and by said amended bill of complaint that the court therein should grant unto complainant therein named a writ or writs of injunction perpetually restraining and enjoining the said Bestwall Mfg. Company from directly or indirectly manufacturing, using or selling any plaster board embodying the invention or discovery secured to complainant therein by said Letters

Patent Number 1,029,328 and 1,034,746, and specified in the claims thereof; that it was further prayed in and by said amended bill of complaint that upon rendering final decree therein there should be assessed, in addition to the profits to be accounted for by the said defendant therein, the damages complainant therein had sustained by reason of such infringement, and that the court should increase the actual damages so assessed to a sum equal to three times the amount of said assessment under the circumstances of the unlawful, illegal and unjust infringement by the said defendant, and that a provisional or preliminary injunction should be granted and that such other and further relief should be given as the nature of the case required and to the court seemed meet; that thereafter an answer was filed to the said amended bill of complaint by the said defendant in said suit and such proceedings were had therein that on to-wit: the 11th day of August, 1919 a decree was entered in said cause, in which said decree it was adjudged that the said defendant, Bestwall Mfg. Company, had infringed upon said Letters Patent and upon the exclusive rights of the complainant in said suit under the same; that it was further adjudged in said decree that the said complainant recover of and from the said defendant the profits, gains and advantages which the said defendant, directly or indirectly, had derived by reason of said infringement and that complainant recover of said defendant any and all damages which complainant had sustained since the 10919 date of the issue of the said two Letters Patent or should sustain by reason of said infringement in the future; that in and by said decree said cause was referred to a Master in Chancery to take and state the account of said gains, profits and advantages and to assess said damages, and it was directed thereby that a perpetual injunction issue therein enjoining the said Bestwall Mfg. Company from directly or indirectly making or causing to be made, using or causing to be used, or vending to others to be used, in any manner any plaster board containing, embodying or employing the said invention and improvements granted by said Letters Patent Number 1,034,746 and said Letters Patent Number 1,029,328, and that complainant recover of the defendant its costs and disbursements in said suit; that thereafter and on to-wit: the 4th day of September, 1919, the defendant in said suit, the Bestwall Mfg. Company, prayed and was allowed an appeal from the said decree to the United States Circuit Court of Appeals for the Seventh Circuit, October Term, A. D. 1919, which said appeal was duly perfected by the giving of bond and the filing of a

transcript of record of said cause in the United States Circuit Court of Appeals in and for the said Seventh Circuit and entitled Bestwall Mfg. Company, Appellant, v. United States Gypsum Company, Appellee, Number 2764, in said court; that thereafter such proceedings were had in the said United States Circuit Court of Appeals for said Seventh Circuit upon said appeal that after a hearing in said court said decree was, by said Court of Appeals, in all things affirmed and the mandate of said Court of Appeals so ordering was filed in the said District Court of the United States on to-wit: the 7th day of February, 1921.

8. That the invention and discovery so made by the said Utzman consisted of protecting the edge of an ordinary sheet of plaster board by extending the paper covering one side of the board and folding the same over the edge and

using the plastic material thus enclosed as an adhesive material to seal the folded edge; that prior to

such discovery the edges of plaster board were left open so that, in handling, the edges were easily chipped or broken, and it was held by the said Circuit Court of Appeals that the covering for the edges of the gypsum was the heart of the discovery; that notwithstanding the character of the said invention, the said Bestwall Mfg. Company and its successor, The Beaver Products Company, Inc., subsequent to the rendition of said decree in the District Court of the United States in said patent suit, commenced the manufacture and sale of a modified form of plaster board by covering the edge of the board in the same manner that the same was covered in the board held to be an

infringement of the said patents, except only that the folded edge was not carried under or over the other side of the board, but had for its purpose and did effect a protected edge by folding the paper over the edge; that such modified form was a mere makeshift on the part of the said Bestwall Mfg. Company and its successor, the said The Beaver Products Company, Inc., to avoid the effect of the said decree, and plainly constituted an infringement of the said patents; that although the said defendant, the Bestwall Mfg. Company, was then notified by the said United States Gypsum Company, a New Jersey corporation, to cease the manufacture of such modified form of infringement, nevertheless, the said Bestwall Mfg. Company, and subsequently its successor, the said The Beaver Products Company, Inc., continued to use said slightly modified form and to further infringe the said patents by the manufacture and sale

thereof, in utter disregard of the rights of the said United States Gypsum Company in the premises.

9. That thereafter, and on to-wit: the 13th day of June, 1921, in said cause in equity Number 779, your orator, the United States Gypsum Company, an Illinois corporation, filed a supplemental bill in said cause as the successor and assignee of the plaintiff in said original cause 10921 as aforesaid; that it was alleged in said supplemental bill that after the filing of the said amended bill of complaint, the said defendant, the Bestwall Mfg. Company, began to manufacture, at its factory at or near the City of Grand Rapids, Michigan, and to sell at Chicago, within the aforesaid Eastern Division of the Northern District of Illinois, and elsewhere throughout the United States, a modified form of its aforesaid plaster board and by a method in the manufacture of the same slightly modified from the method and the plaster board which had been adjudged to infringe said Letters Patent by the decree of said court, and that said modified method and modified product so manufactured and sold by the said defendant was not substantially different from its aforesaid method and product which was decreed to be an infringement of said Letters Patent, and embodied the inventions described and claimed in said Letters Patent and was an infringement thereof; that it was further alleged in said supplemental bill of complaint that the said defendant therein had derived and received, and was still deriving and receiving, great gains and profits from its said modified method of manufacture and the sale of said modified form of plaster board, and that by reason thereof your orator had suffered and was suffering great loss, damage and injury; that it was further alleged in said supplemental bill of complaint that after the filing of the said amended bill and after the entry of the said decree as aforesaid, your orator's predecessor, the United States Gypsum Company, a New Jersey corporation, had changed its name to the Avery Gypsum Company, and that, by mesne assignment from said Avery Gypsum Company to your orator, the United States Gypsum Company, an Illinois corporation, all right, title and interest in and to said Letters Patent Number 1,029,328, and 1,034,746, including all rights to recover for past infringement and all rights of whatever name and nature therein and thereunto 10922 der, were duly transferred and assigned to your orator, the United States Gypsum Company, an

Illinois corporation, whereby the said United States Gypsum Company, an Illinois corporation, acquired all the right, title and interest in and to said Letters Patent and in and to all matters of interest in said suit; including the right to conduct the same and to recover for past infringement; that it was prayed in and by said supplemental bill of complaint that your orator, the said United States Gypsum Company, an Illinois corporation, be substituted as the plaintiff in said cause, with all the right in relation thereto formerly enjoyed by its said predecessor and that it have the benefit of the pleadings, evidence and proceedings theretofore had in said cause; that it was further prayed in and by said supplemental bill of complaint that the said modified method and modified product of the said defendant should be decreed to infringe said Letters Patent and be subject to the provisions of said decree, and that a supplemental writ of injunction should issue enjoining and restraining the said defendant, the Bestwall Mfg. Company, from further employing the said method and from further manufacturing the modified form of said plaster board and from the use or sale of said modified product; that an answer was filed by said Bestwall Mfg. Company to the said supplemental bill denying all of the allegations thereof and averring that it began the manufacture of the plaster board and the use of the process complained of therein long prior to the aforesaid decree referred to in the said supplemental bill of complaint and prior to the hearing upon which said decree resulted, and that complainant therein had full knowledge of the use by said defendant of its new and different process and of the manufacture of its new and different plaster board, and made no claim then or thereafter, save by said supplemental bill of complaint, that defendant was thereby infringing any alleged rights of complainant or its successor 10923 in business; that it was further averred in said answer that the plaster board complained of was entirely different from that held to infringe by the aforesaid decree and that the process or method by which said plaster board was manufactured was entirely different from the process held to infringe by said decree, said process being a different invention covered by Letters Patent Number 1,348,387 granted on August 3, 1920 to M. K. Armstrong, assignor, to said defendant; that it was further averred in said answer that the said Letters Patent Number 1,029,328 and 1,034,746 and the claims thereof were so limited by prior art that neither the plaster board or the

process or method made and used by the defendant infringing said patents or either of them.

10. That the said Bestwall Mfg. Company, from the time it commenced the manufacture and sale of said modified form of plaster board as aforesaid and so long as it continued in business, continued to manufacture the same at its factory at or near the City of Grand Rapids, Michigan, and to sell the same at Chicago within said Eastern Division of the Northern District of Illinois, and elsewhere throughout the United States; that said modified form was not substantially different from its aforesaid method and product which was decreed to be an infringement of said Letters Patent and embodied the invention described and claimed in said Letters Patent and was an infringement thereof; that on or about June, 1920, the capital stock of the said Bestwall Mfg. Company was acquired by the said defendant, The Beaver Board Companies, and since that time, up to the reorganization hereinafter mentioned, the said Bestwall Mfg. Company was a subsidiary, with other companies, of the said The Beaver Board Companies and was controlled and directed by the said The Beaver Board Companies, the latter being then and ever since having a regular and established place of business 10924 in the City of Chicago in said Northern District of Illinois, where acting in conjunction with its said subsidiary, the Bestwall Mfg. Company, it handled the sale of the said modified form of plaster board made by the said Bestwall Mfg. Company according to said modified method, in infringement of said Letters Patent Number 1,034,746 and 1,029,328; that after the filing of the aforesaid supplemental bill of complaint and the answer thereto, and while said cause was still pending, and on or about the 8th day of June, 1922, the said Bestwall Mfg. Company, the American Cement Plaster Company and other subsidiaries of the said The Beaver Board Companies, duly conveyed and assigned and set over unto the defendant, The Beaver Products Company, Inc., all their assets and properties of every kind and description, in consideration of which The Beaver Products Company, Inc. assumed all of the then existing debts, obligations and liabilities of every kind of the said Bestwall Mfg. Company, the American Cement Plaster Company and said other subsidiaries; that the said defendant, The Beaver Products Company, Inc., thereupon became, and is now, vested with the title to and is the true and lawful owner of the business and of

all of the assets theretofore belonging to the said Bestwall Mfg. Company and said subsidiaries, and at the time of the acquisition of the same had, and now has, full knowledge and notice of said decree and of all of the proceedings theretofore had in said cause, and thereupon became liable for all of the debts and obligations of every kind theretofore incurred by its predecessors, the said Bestwall Mfg. Company, including all liabilities and obligations imposed by the force of said decree; that the said defendant, The Beaver Products Company, Inc., had at all times since the 8th day of June, 1922 and up to the 29th day of July, 1926, the date of the License agreement hereinafter more specifically mentioned, continued the operations of the infringing business theretofore conducted by the said Bestwall Mfg. Company and to manufacture at the plants of the Bestwall Mfg. Company and to sell at Chicago, within the Eastern Division of the Northern District of Illinois, and also at its plants in Akron, Erie County, New York, in the Western District of New York, and elsewhere throughout the United States, the same modified form of the aforesaid plaster board, and to manufacture such plaster board by the same slightly modified method of manufacture as it had been manufactured and sold by the defendant, Bestwall Mfg. Company, previous to the transfer of its said business to the said The Beaver Products Company, Inc. as aforesaid, and as set forth in said supplemental bill of complaint filed in said cause Equity Number 779; that under the said plan of reorganization, pursuant to which all of the assets of the subsidiaries of the defendant, The Beaver Board Companies, including the said Bestwall Mfg. Company, were acquired by the defendant, The Beaver Products Company, Inc., the said The Beaver Board Companies has, since the 8th day of June, 1922, been the holding company of the defendant, The Beaver Products Company, Inc., owning the entire capital stock of said The Beaver Products Company, Inc., and that the said The Beaver Board Companies, acting in conjunction with the Bestwall Mfg. Company and the said defendant, The Beaver Products Company, Inc., and as the sales agency of said companies, between the said 8th day of June, 1922 and the 29th day of July, 1926, the date of said license agreement, sold in the City of Chicago, in the Northern District of Illinois, and in the City of Akron, Erie County, New York, and elsewhere

throughout the United States, such modified, infringing form of plaster board made by the said Bestwall Mfg. Company and the said The Beaver Products Company, Inc. as aforesaid, according to the said modified, infringing method; that the said defendant, The Beaver 10926 Board Companies, derived and received great gains and profits from the said sale of the plaster board heretofore adjudged by said court to be an infringement of the aforesaid patents, and that the said defendants, The Beaver Board Companies and The Beaver Products Company, Inc., derived and received great gains and profits from the said modified method of manufacture and sale of said modified form of plaster board by them respectively, and that by reason of such manufacture and sale thereof your orator suffered great loss, damage and injury.

11. That subsequent to the filing of said supplemental bill as aforesaid, and on to-wit: the 30th day of June, A.D. 1922, your orator filed in said cause, Equity Number 779, a second supplemental bill setting forth the acquisition of the capital stock of the said Bestwall Mfg. Company by the said The Beaver Board Companies, and the acquisition of all of the assets and plants of the said Bestwall Mfg. Company by the said The Beaver Products Company, Inc. and of the manufacture and sale by the said The Beaver Board Companies and the said The Beaver Products Company, Inc. of the said infringing product, all as more specifically set forth in the next preceding paragraph hereof; that it was prayed in and by said second supplemental bill that the said The Beaver Products Company, Inc. and the said The Beaver Board Companies be made additional parties defendant in said cause, and that complainant therein have the full benefit of the pleadings, evidence and proceedings theretofore had in said cause against the said The Beaver Products Company, Inc. and the said The Beaver Board Companies; that it was further prayed in and by said second supplemental bill that the aforesaid modified method and modified product manufactured and sold by the said defendants, The Beaver Products Company, Inc. and The Beaver Board Companies, be decreed to infringe said Letters Patent and to be within the decree for an injunction and an accounting heretofore entered in said cause, and that a supplemental writ of injunction be granted against the 10927 said The Beaver Products Company, Inc. and the said The Beaver Board Companies, enjoining and

restraining them from further employing the said modified method and from further manufacturing and selling the said modified form of plaster board or employing any similar method in any manner infringing the said Letters Patent Number 1,034,746 and 1,029,328; that it was further prayed in and by said second supplemental bill that the said defendants, The Beaver Products Company, Inc. and the said The Beaver Board Companies, be directed to account to your orator, the said United States Gypsum Company, an Illinois corporation, for the profits and damages resulting from the manufacture and sale by them of the products adjudged by said decree to be an infringement of the said patents and from the subsequent manufacture and sale by them of the aforesaid modified form of said plaster board; that thereafter an answer was filed by the original defendant in said cause, Equity Number 779, to the said second supplemental bill of complaint, and the said defendants, The Beaver Products Company, Inc. and The Beaver Board Companies, appeared therein and also filed answers to said second supplemental bill of complaint.

12. That thereafter such proceedings were had in said cause, Equity Number 779, that a decree was entered upon said supplemental bill of complaint and said second supplemental bill of complaint on, to-wit: the 17th day of August, 1925; that it was adjudged in and by said decree that the said Letters Patent Numbers 1,029,328 and 1,034,746 were good and valid as to each and all of the claims thereof; that the United States Gypsum Company, an Illinois corporation, was the owner of said two Letters Patent and of all rights of recovery for past infringement thereof and as the successor to the said United States Gypsum Company, a New Jersey corporation, was substituted for the said original plaintiff in said cause and entitled to all of the benefits, advantages and rights of recovery with respect to said Letters Patent as fully as though it had been the original plaintiff in said cause; that it was further adjudged in and by said decree that the defendants in said cause, Bestwall Mfg. Company, American Cement Plaster Company, The Beaver Board Companies and The Beaver Products Company, Inc. had infringed upon said patents Numbers 1,029,328 and 1,034,746 and upon each and every of the claims thereof, and upon the exclusive rights of the said United States Gypsum Company, an Illinois corporation, under said Letters Patent by manufacturing, using and selling the said so-

called modified product and employing the so-called modified method charged to infringe said patents; that it was further adjudged thereby, that complainant, United States Gypsum Company, an Illinois corporation, substituted for said original complainant as aforesaid, recover from the said defendants Bestwall Mfg. Company, American Cement Plaster Company, The Beaver Board Companies and The Beaver Products Company, Inc. all profits, gains and advantages which said defendants respectively had derived, received or made by reason of said infringement, and all damages which the complainant in said cause had sustained or should sustain by reason of said infringement; that it was further adjudged in said decree that the said cause be referred to a Master in Chancery for an accounting of profits and damages due to the infringements of said patents as aforesaid, and that a perpetual injunction issue enjoining and restraining the said Bestwall Mfg. Company, American Cement Plaster Company, The Beaver Board Companies and The Beaver Products Company, Inc. from directly or indirectly making or causing to be made, using or causing to be used, or vending to others to be sold or used, the said modified form of board or any other form of board substantially the same, or causing to be used said modified method of making said modified form of board or the method employed with the mechanism described in said Armstrong patent or any method 10929 the same as, or substantially the same as, such method or form, or from otherwise infringing the said patents Numbers 1,034,746 and 1,029,328.

13. That an appeal was prayed from said decree to the United States Circuit Court of Appeals for the Seventh Circuit by the defendants in said cause on or about the 24th day of August, 1925, which said appeal was perfected by filing a transcript of the record in said cause in the said United States Circuit Court of Appeals to the October term, 1925 thereof; that on or about the 4th day of November, 1925, the said United States Circuit Court of Appeals granted a stay of the said accounting proceedings and of the issuance of the said injunction so ordered by the said District Court upon the filing by the said defendants of a bond in the penal sum of \$1,000,000, which said bond was duly filed and said cause was then pending on appeal in the said United States Circuit Court of Appeals for the Seventh Circuit at the time of the events hereinafter more specifically set forth.

14. That thereafter and until the execution of the license agreement hereinafter mentioned, the said The Beaver Products Company, Inc. and the said The Beaver Board Companies, by themselves and through their said subsidiaries, without the consent of your orator, continued to manufacture and sell said modified form of plaster board at Chicago, Illinois and elsewhere throughout the United States in defiance of the rights of your orator, which said plaster board so manufactured and sold by the said The Beaver Products Company, Inc. and the said The Beaver Board Companies infringed the claims of said Letters Patent Number 1,029,328 and 1,034,746, and said infringement caused your orator great damage, loss and injury; that at the time of the execution of said contract and license agreement the said The Beaver Products Company, Inc. and its said subsidiaries had manufactured and sold a large quantity of said infringing plaster board at Chicago, Illinois aforesaid, and in and from said plants at Akron, New York, Grand Rapids, Michigan, Fort Dodge, Iowa, Blue Rapids, Kansas, and elsewhere throughout the United States, consisting of upwards of 553,000,000 feet thereof at a profit of upwards of \$4,000,000; that prior to the date of said license agreement and at the time of the organization of the said The Beaver Products Company, Inc. as hereinabove set forth, the said The Beaver Products Company, Inc. had assumed, in writing, all of the liabilities and obligations of the said Bestwall Mfg. Company, the said American Cement Plaster Company and the said other subsidiaries for or on account of the infringement of the said patents, and your orator had theretofore and on or about August 26, 1920 received from its said predecessor, the United States Gypsum Company, a New Jersey corporation, a full assignment of its said claims against the said The Beaver Products Company, Inc., the said Bestwall Mfg. Company and the said American Cement Plaster Company and said other subsidiaries of the said The Beaver Products Company, Inc. and had succeeded to all of the rights of the said United States Gypsum Company, a New Jersey corporation, against the said The Beaver Products Company, Inc. and said other companies, that at the time of the execution of said contract and license agreement, the said The Beaver Products Company, Inc. had become liable to your orator and was indebted to it in said sum of over \$4,000,000 for profits, gains and advantages derived from the manufacture and sale of said infringing plaster board and for

damages sustained by your orator by reason of such wrongful infringement of its said patents.

15. That on or about the 29th day of July, 1926, the said The Beaver Products Company, Inc. requested your orator to grant to it a license to manufacture and 10931 sell plaster board under said patents Numbers 1,034,746 and 1,029,328 and to enter into an agreement with it to settle said claim which your orator then had against it for past infringements of said patents; that the said The Beaver Products Company, Inc. offered to pay to your orator, in settlement and discharge of its said claim and for a license to manufacture and sell under said Letters Patent, the sum of \$250,000 in cash and an amount equivalent to five per cent (5%) of the selling price of all plaster board or gypsum wallboard of every kind manufactured and sold by it until the date of the expiration of said Patent Number 1,034,746 on August 6, 1929 and one and one-half per cent (1½%) of such selling price until the expiration of a certain other patent, Number 1,330,413, on February 10, 1937, owned by your orator governing the method of manufacture of plaster board; that at the time said offer was made by the said The Beaver Products Company, Inc. and at the time of the execution of the agreements hereinafter mentioned, it had plaster board plants for the manufacture of plaster board and gypsum wallboard located at Akron, New York, Grand Rapids, Michigan, Fort Dodge, Iowa, and Blue Rapids, Kansas, and it manufactured and sold large quantities of such plaster board, to-wit: upwards of 90,000,000 feet thereof a year; and that it then and there represented to your orator that such payments upon the sale of said plaster board until August 6, 1929 would amount to over \$10,000 a month, and thereafter and until February 10, 1937, to over \$3,000 a month without respect to any increase which there might be in the business of the said The Beaver Products Company, Inc.; that it was further represented to your orator by the said The Beaver Products Company, Inc. that it was in sound financial condition and capable of continuing in its said manufacturing business throughout the said term, and that the normal increase in its said business would net to your orator sums far in excess of the amounts 10932 hereinabove stated, and that it would continue the manufacture and sale of said plaster board and gypsum wallboard at its said plants throughout said period; that your orator then relying upon the representa-

tions so made by the said The Beaver Products Company, Inc. and induced by the same, agreed to grant the said license and to settle its said claim in payment to it by the said The Beaver Products Company, Inc. of \$250,000 in cash and an amount equivalent to five per cent (5%) of the selling price of all plaster board or gypsum wallboard manufactured by the said The Beaver Products Company, Inc. until said date, August 6, 1929, and of one and one-half per cent (1½%) of such selling price until said date, February 10, 1937, throughout the full term between the date of the granting of the said license and the dates of the expiration of the said two patents on August 6, 1929 and February 10, 1937 respectively, and upon the conveyance by the said The Beaver Products Company, Inc., to your orator of all Letters Patent and Applications for Letters Patent owned by the said The Beaver Products Company, Inc., dealing with the subject matter of plaster board or the process or method of manufacturing plaster board, to all of which the said The Beaver Products Company, Inc. then and there agreed.

16. That thereupon and on, to-wit: the 29th day of July, 1926, the agreement so made between your orator and the said The Beaver Products Company, Inc. was reduced to writing and signed by them, the original of which said agreement your orator is ready to produce in court upon the hearing of this cause; that it was provided in said agreement of July 29, 1926 that your orator, the United States Gypsum Company, was the owner of the entire right, title and interest in and to and under said Letters Patent Number 1,029,328, dated June 11, 1912, for the method of manufacturing plaster board, and Number 1,034,746, dated August 6, 1912, for plaster board, 10933 and that it was also the owner of the entire right, title and interest in and to and under certain other Letters Patent and Applications for Letters Patent, a list of which was attached to said contract and marked Exhibit A and made a part thereof, among them being said Letters Patent Number 1,330,413 expiring on February 10, 1937; that it was further provided in said contract that it had been adjudged in the United States District Court for the Northern District of Illinois and the United States Circuit Court of Appeals for the Seventh Circuit in said causes hereinabove set forth, that the said Letters Patent, commonly known as the Utzman Patents Numbers 1,029,328 and 1,034,746, had been infringed by the method of manufacture and by the modified form of plaster board then

being manufactured and sold by the said The Beaver Products Company, Inc.; that it was admitted in and by said agreement that your orator had a substantial claim against the said The Beaver Products Company, Inc. because and on account of said infringement, which was the same claim as heretofore set forth which your orator then had against said The Beaver Products Company, Inc. for the infringement of its said patents; that it was further provided in said agreement that the parties thereto had agreed to settle said claim by the payment to your orator of the sum of \$250,000 in cash and an amount equivalent to five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. of all plaster board or gypsum wallboard manufactured and sold by it until August 6, 1929 and one and one-half per cent (1½%) of such selling price from August 6, 1929 to February 10, 1937, and the assignment to your orator of certain Letters Patent and Applications for Letters Patent owned by the said The Beaver Products Company, Inc. and more specifically set forth in Exhibit B thereto attached and made a part thereof.

17. That it was further provided in said agreement of July 29, 1926, that in consideration of the payment by The Beaver Products Company, Inc. to your orator 10934 of the sum of \$250,000 and the assignment or transfer by it to your orator of said Letters Patent described in said Exhibit B, and in consideration of the payment by the said The Beaver Products Company, Inc. to your orator of the amounts consisting of five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. of all plaster board or gypsum wallboard of every kind manufactured and sold by it between the date thereof and August 6, 1929, the date of the expiration of said Utzman Patent Number 1,034,746, and thereafter of an amount equivalent to one and one-half per cent (1½%) of such selling price until February 10, 1937, the date of the expiration of said Patent Number 1,330,413, your orator released and discharged the said The Beaver Products Company, Inc., the said The Beaver Board Companies, Bestwall Mfg. Company, American Cement Plaster Company and all subsidiary, associated or affiliated companies from all claims and demands for damages or profits which your orator then had against them for or on account of the infringement of the said Utzman patents; that it was further provided in said contract that all actions both at

law and in equity then pending, arising out of, or in any way connected with, the infringement of said Utzman patents and commenced against The Beaver Products Company, Inc., The Beaver Board Companies, Bestwall Mfg. Company, American Cement Plaster Company, or any subsidiary, associated or affiliated companies of any of them were to be dismissed without further costs to either party thereto, provided that the appeal in Cause Number 3693, October Term, 1925, pending in the Circuit Court of Appeals for the Seventh Circuit would be so dismissed that the decree below finding that said patents were valid and had been infringed by the said defendants should stand as a final adjudication in said cause.

18. That pursuant to the terms of said agreement of July 29, 1926, a separate license was entered into between your orator and the said The Beaver Products Company, Inc. bearing date the 29th day of July, 1926, the original of which said license your orator is ready to produce in court upon the hearing of this cause; that in said license it was recited that your orator was the owner of the said Utzman patents and of the said patent set forth in said Exhibit A and that it had been found and decreed by the United States District Court for the Northern District of Illinois and by the United States Circuit Court of Appeals for the Seventh Circuit in said cause, that the said Utzman patents were valid and infringed by the said defendants by reason of the making, using or selling of plaster board or gypsum wallboard having protected edges; that in and by said license the said The Beaver Products Company, Inc. further admitted the validity and scope of said Utzman patents and that it had theretofore infringed upon the same and that your orator had a large and substantial claim against it for damages and profits because and on account of said infringement; that it was also recited in said license that the parties thereto had agreed to settle said claim by the payment to your orator by the said The Beaver Products Company, Inc. of a sum of money in cash and an amount equivalent to five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. of all plaster board or gypsum wallboard manufactured and sold by it until August 6, 1929, and one and one-half per cent (1½%) of such selling price from August 6, 1929 to February 10, 1937, and the assignment to your orator of certain Letters Patent and Applications for Letters Patent set forth in said Exhibit B, and the granting of said license by your orator.

19. That the said The Beaver Products Company, Inc. became obligated, in and by said contract of July 29, 1926 and the said license agreement of even date therewith, to continue the manufacture and sale of plaster board and gypsum wallboard at its said plants throughout the 10936 full term of the said license agreement, from, the date thereof, on July 29, 1926, to the date of the expiration of said Patent Number 1,330,413, on February 10, 1937, and to pay to your orator during the full term of said license, in addition to said sum of \$250,000, the said amount equivalent to five per cent (5%) of the selling price of The Beaver Products Company, Inc. of all of said plaster board and gypsum wallboard manufactured and sold by it between July 29, 1926 and August 6, 1929, and one and one-half per cent (1½%) of such selling price of all plaster board and gypsum wallboard manufactured and sold by it between August 6, 1929 and February 10, 1937.

20. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith, that your orator would give and grant, and had given and granted, unto the said The Beaver Products Company, Inc. an indivisible and non-exclusive right, license and privilege of using the processes and using the machines and/or inventions set forth and claimed in said Utzman patents and in any and all of said patents or applications for letters patent described in said Exhibits A and B at any and all factories owned and/or operated and controlled by said The Beaver Products Company, Inc. or any subsidiary, associated or affiliated company, and manufacturing at any such place or places, selling and using plaster board or gypsum wallboard embodying the inventions and improvements set forth and claimed in said Utzman patents and said patents and applications for letters patent described in said Exhibits A and B until the 10th day of February, 1937, the date of the expiration of said Patent Number 1,330,413.

21. That it was further expressly provided in said agreement of July 29, 1926, and in said license bearing even date therewith that The Beaver Products Company, Inc. agreed to pay to your orator, in settlement and 10937 discharge of said claim of your orator and for the right, license and privilege of manufacturing and selling plaster board or gypsum wallboard, and for the privilege of using the processes and making and using the machines or inventions embodying the inventions and im-

provements set forth and claimed in said Utzman patents and in all of said patents and applications for letters patent described in said Exhibits A and B, an amount equivalent to five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. of all plaster board or gypsum wallboard of every kind manufactured and sold by the said The Beaver Products Company, Inc. between the date of said contract and August 6, 1929, the date of the expiration of said Utzman Patent Number 1,034,746, and thereafter an amount equivalent to one and one-half per cent (1½%) of the selling price of the said The Beaver Products Company, Inc. of all such plaster board or gypsum wallboard from August 6, 1929 until February 10, 1937, the date of the expiration of said Patent Number 1,330,413.

22. That it was further expressly provided in said agreement of July 29, 1926, and in the said license of even date therewith that the said ~~license~~ was personal to the said The Beaver Products Company, Inc. and that the same, or any right therein or thereunder, would not be sold, assigned or transferred without the written consent of your orator or transferred by operation of law, except that the same could be assigned to any such successor or subsidiary corporation of the said The Beaver Products Company, Inc. and that in the event of the appointment of a receiver or receivers for the purpose of conserving the business and assets of the said The Beaver Products Company, Inc. such receiver or receivers should succeed to all of the said Company's rights under said license and under said agreement.

23. That it was further provided in and by said agreement of July 29, 1926, and in said license of even 10938 date therewith that the said The Beaver Products Company, Inc. agreed during the full term of said license to keep separate, full and accurate books of account and records showing the exact quantity of all plaster board and gypsum wallboard manufactured and sold by it and that it would, on or before the 20th day of each and every calendar month during said full term, render unto your orator true, written returns verified under oath by one of its officers or agents, setting forth the quantity of all of said plaster board and gypsum wallboard manufactured and sold by it during the preceding calendar month, together with the price or prices at which the same was

sold; that such written returns would be delivered to your orator at its office in Chicago, Illinois, and that the said The Beaver Products Company, Inc. would pay to your orator on or before the 20th day of each calendar month at its office in Chicago, Illinois, the said stipulated amounts under said license on account of all of said plaster board and gypsum wallboard manufactured by it during the next preceding calendar month.

24. That it was further provided in said agreement of July 29, 1926 and in said license of even date therewith, that your orator, during the full term of said license, would have the right at all reasonable times during business hours to inspect the books of account and records of the said The Beaver Products Company, Inc. showing the quantity of all plaster board and gypsum wallboard manufactured and sold by it, and the price or prices at which the same were sold, and to make copies thereof and memoranda therefrom.

25. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith, that all plaster board or gypsum wallboard manufactured and sold by the said The Beaver Products Company, Inc. embodying the claims of any of said patents would 10939 be distinctly marked with the word "PATENTED" together with the dates of the Utzman patents and the dates of any other patents which licensor may properly specify, and that in connection with the said markings it would further mark said patented product with the words, "Licensed under the above Letters Patent."

26. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith, that the said The Beaver Products Company, Inc. might manufacture gypsum wallboard or plaster board embodying the inventions and improvements set forth and claimed in said Letters Patent for any other manufacturer, provided that the amount to be paid to your orator on account thereof would be based upon all gypsum wallboard or plaster board manufactured for such other manufacturer and upon the regular selling price of The Beaver Products Company, Inc. of such plaster board or gypsum wallboard to its regular dealer trade.

27. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith,

that all of the patented product sold by the said The Beaver Products Company, Inc. and commonly known in the trade as seconds, would be plainly invoiced as seconds and plainly marked with a visible red stamp or label firmly affixed on each of said boards showing the word "Seconds" in letters at least three inches in height.

28. That it was further provided in said contract of July 29, 1926, and in said license of even date therewith, that the patented product manufactured and sold by the said The Beaver Products Company, Inc. under said license would include all board having a protected edge, and that it was recognized by the parties to said license that any board manufactured by the said The Beaver Products Company, Inc. having a protected edge was within the scope of said Utziman Patents Numbers 1,029,328 and 1,034,746; that after the expiration of said Letters Patent 10940 Number 1,034,746 and until the expiration of said Letters Patent Number 1,330,413 it was expressly agreed thereby that the patented product manufactured and sold under said license agreement would include all board having a protected edge and that all board having a protected edge was within the claims or was manufactured according to the processes or by the use of machines embodying the claims either of said Letters Patent Number 1,330,413 or of one or more of the other of said Letters Patent listed in said Exhibit A.

29. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith, that as one of the considerations for said license the said The Beaver Products Company, Inc. acknowledged the validity of said Letters Patent granted and to be granted forming the subject matter of said license throughout the respective lives of said Letters Patent and agreed that it would not at any time before or after the expiration or termination of said license, directly or indirectly, through or together with another or others, contest the validity of either or any of said Letters Patent, or the title thereto of your orator or question in any way the prima facie scope of either or any of said Letters Patent or the priority, novelty or patentability of the subject matter of any of said Applications for Letters Patent.

30. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith, that if the said The Beaver Products Company, Inc. should

at any time neglect, fail or refuse to keep or perform any of the conditions and agreements in said license agreed by it to be kept and performed, then your orator, at its election, might serve notice upon the said The Beaver Products Company, Inc. of its intention to terminate the same, that such notice should specify the alleged neglect, failure or refusal, and that if within thirty days from the date of the delivery of such notice the said The Beaver 10941 Products Company, Inc. should not give or perform the conditions and agreements specified therein, then said license and all rights acquired by the said The Beaver Products Company, Inc. thereunder should, at the election of your orator, become cancelled and terminated, provided that the said The Beaver Products Company, Inc. in such event would not thereby be relieved from paying to your orator any license fees or royalties or any other obligations accrued under said license at the time of such termination; that it was further provided therein that in case the said The Beaver Products Company, Inc. should commit any act of bankruptcy, then the said license would immediately be and become cancelled and terminated without, however, terminating the right of your orator to collect for all license fees or royalties and other obligations accrued under said contract at the time of such termination; that it was further provided therein that failure on the part of your orator to notify the said The Beaver Products Company, Inc. of a breach of said license agreement or to terminate the same because of such breach would not constitute a waiver of your orator's right to terminate the same in accordance with the provisions thereof; that it was further provided therein that your orator might specifically enforce said agreement or any of the terms, conditions and covenants thereof by injunction or in such other manner as might be provided by law.

31. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith, that if at any time during the full term thereof, the said The Beaver Products Company, Inc. should, in the judgment of your orator, suffer substantial detriment by reason of any infringement upon the part of any person or persons of the said patents, then you orator would afford the said The Beaver Products Company, Inc. such reasonable protection as in its judgment was necessary or proper, and that in case your orator granted to any such in- 10942 fringer or to any other person any license under said patents upon terms more favorable than those

granted under said license of July 29, 1926, then your orator would grant to the said The Beaver Products Company, Inc. a license on the same terms.

32. That it was further provided in and by said agreement of July 29, 1926, and in said license of even date therewith, that the terms "plaster board" and "gypsum wallboard" were understood to mean all board by whatever name called having the structural characteristics of plaster board or gypsum wallboard, irrespective of the purpose for which the same might be sold or used.

33. That it was further provided in said agreement of July 29, 1926, and in said license of even date therewith, that all of the covenants and agreements therein contained should be binding upon and inure to the benefit of the successors and assigns of the parties thereto, but that nothing therein contained should be construed to permit an assignment of said license agreement by the said The Beaver Products Company, Inc. except as in said license agreement specifically provided.

34. That it was provided in said agreement of July 29, 1926, that your orator, upon the expiration of said license, would grant to the said The Beaver Products Company, Inc. a license to manufacture, use and/or sell under said patents and applications for letters patent described in said Exhibits A and B, upon such terms and conditions as might then be agreed upon between the parties thereto, and failing to arrive at any such agreement, that your orator would grant to the said The Beaver Products Company, Inc. from and after such expiration date a license to make and use the machines and use the processes, and to manufacture, use and sell the articles disclosed in said patents and applications for letters patent described in said Exhibit B, whether or not disclosed or claimed in any patent or applications for letters patent described in said Exhibit 10943 A, in consideration of the sum of One Dollar.

35. That it was further provided in said agreement of July 29, 1926, that the patents and applications for Letters Patent set forth in said Exhibit B were pledged with the Central Trust Company of Illinois and Aksel K. Bodholdt, Trustees under a certain First and Refunding Mortgage executed by the said The Beaver Products Company, Inc. to the said Central Trust Company and the said Aksel K. Bodholdt, Trustees, on July 1, 1922, and that the

same were to be released and assigned to your orator by said Trustees; that it was further provided therein that the said The Beaver Products Company, Inc. was authorized and empowered to pledge the said license with said Trustees under said mortgage with the express understanding that the same would not be transferred or assigned by said Trustees on a foreclosure of said mortgage to any person or persons without the consent of your orator.

36. That upon the execution and delivery of the said contract of July 29, 1926 and the said license agreement of even date therewith, the said The Beaver Products Company, Inc. transferred; assigned and conveyed to your orator all of the said patents and applications for letters patent described in said Exhibit B and paid to your orator, on the 31st day of July, 1926, the said sum of \$250,000; that the said The Beaver Products Company, Inc., commencing with the date of the said license agreement and ever since has continued the manufacture and sale of plaster board and gypsum wallboard at and from its said plants under the terms and conditions of the said license agreement and the said contract; that pursuant to the terms and conditions of the said license agreement and the said contract, the said The Beaver Products Company, Inc. became obligated to manufacture and sell, at and from its said plants, plaster board and gypsum wallboard, with the full right and privilege of using the inventions and improvements 10944 set forth in all of said patents described in said Exhibits A and B, including the said Utzman patents Number 1,029,328 and Number 1,034,746, throughout the full term of the said contract, commencing with the date thereof and ending on the 10th day of February, 1937, and to pay to your orator, in settlement of said claim and for said license, in addition to said sum of \$250,000 paid in cash as aforesaid, an amount equivalent to five per cent (5%) of its selling price of all plaster board or gypsum wallboard of every kind manufactured and sold by it until August 6, 1929, the date of the expiration of said Utzman Patent Number 1,034,746, and thereafter an amount equivalent to one and one-half per cent (1½%) of its selling price upon all of said plaster board or gypsum wallboard from August 6, 1929 until February 10, 1937, the date of the expiration of said Patent Number 1,330,413, so that your orator might receive the full consideration for the settlement, release and discharge of the said claim for infringement and for said license.

37. That the said The Beaver Products Company, Inc., commencing with the date of the said contract and license agreement and during each month of the term thereof, manufactured and sold plasterboard and gypsum wallboard at its said plants and paid to your orator the sums of money under said license in the quantities and amounts as follows:

1926	Footage	Sales	Amount Paid
7-29 to 8-31	10,234,803	\$263,740.12	\$13,187.01
September,	9,499,012	235,048.95	11,752.45
October,	10,112,600	248,947.66	12,447.38
November,	9,425,504	230,253.38	11,512.67
December,	6,402,937	150,921.97	7,546.10

1927

January,	7,281,149	173,269.56	8,663.48
February,	8,690,882	213,260.21	10,663.01
March,	10,940,841	273,699.22	13,684.96
April,	11,493,079	283,113.55	14,155.68
May,	10,212,203	243,613.74	12,180.69
June,	9,738,754	230,069.79	11,503.49
July,	8,884,111	208,716.02	10,435.80

10945

August,	9,843,659	220,644.89	11,532.24
September,	9,273,973	214,140.80	10,707.04
October,	9,627,132	227,792.40	11,389.62
November,	9,146,329	216,800.18	10,840.01
December,	5,779,222	133,366.01	6,688.30

1928.

January,	7,117,839	153,228.27	7,911.41
making the full sum of \$196,781.34 paid to your orator by the said The Beaver Products Company, Inc. under said license, which, with said sum of \$250,000.00 paid as aforesaid, amounts to \$446,781.34.			

38. That the said The Beaver Board Companies and the said The Beaver Products Company, Inc., on or about the 20th day of January, 1928, entered into a contract with the said defendant, Certain-teed Products Corporation, to sell to the said Certain-teed Products Corporation all of the plants, properties and assets of the said The Beaver Board Companies and the said The Beaver Products Company, Inc. located at Akron, New York, Grand Rapids, Michigan, Fort Dodge, Iowa, Blue Rapids, Kansas, and elsewhere.

including all of the plaster board plants or mills belonging to the said The Beaver Products Company, Inc., in consideration of the payment by the said Certain-teed Products Corporation of Fifty Dollars (\$50.00) a share to the holders of the preferred capital stock of the said The Beaver Board Companies or the holders of Voting Trust Certificates of some or all of said preferred stock under a Voting Trust Agreement made on January 1, 1922 between the holders of said preferred stock and James G. Alexander, George R. Baker, Augustus S. Blagdon, T. Edward Hambleton, J. A. Henley, Warren Henley and Alvin F. Cramer, Voting Trustees, or at the option of said certificate holders or the holders of said preferred stock, one-half share for each share of said preferred stock or Voting Trust Certificate held by them of the seven per cent (7%) cumulative preferred stock of the said Certain-teed Products Corporation and Five Dollars (\$5.00) per share to the holders of the common capital stock of the said The Beaver Board Companies and the payment by the said Certain-teed

Products Corporation of the funded indebtedness of the said The Beaver Board Companies and its subsidiaries, amounting to \$6,463,205.50; that the said The Beaver Board Companies and the said The Beaver Products Company, Inc. have, as your orator is informed and believes and so states the fact to be, already delivered and transferred to the said Certain-teed Products Corporation under said contract certain of the business and properties of the said The Beaver Board Companies and the said The Beaver Products Company, Inc., and are about, unless restrained by order of this court, to sell, assign, transfer and deliver to the said Certain-teed Products Corporation, under and pursuant to the terms of the said contract, all of the plants, properties and assets of every kind belonging to the said The Beaver Board Companies and the said The Beaver Products Company, Inc., including the plaster board plants and mills belonging to said companies at Akron, New York, Grand Rapids, Michigan, Fort Dodge, Iowa, Blue Rapids, Kansas, and elsewhere; that upon said sale, assignment and transfer and the consummation of the said contract between the said Certain-teed Products Corporation and the said The Beaver Board Companies and The Beaver Products Company, Inc., the said The Beaver Board Companies and the said The Beaver Products Company, Inc. will remain and be without any assets whatsoever and without any plaster board plants or mills with which to manufacture plaster board or gypsum wallboard, so that the said The

Beaver Products Company, Inc. will be wholly unable to continue the manufacture and sale of plaster board and gypsum wallboard pursuant to the terms of said contract of July 29, 1926 and the said license agreement of even date therewith; that no provision has been made of any kind by the said The Beaver Board Companies or the said The Beaver Products Company, Inc., or anyone else, to 10947 pay to your orator the consideration agreed to be paid by the said The Beaver Products Company, Inc. in satisfaction of your orator's said claim and for said license in accordance with the terms of the said contract of July 29, 1926 and the said written license agreement, of an amount equivalent to five per cent (5%) of the selling price of all plaster board or gypsum wallboard of every kind manufactured and sold under said license between the date thereof and August 6, 1929, the date of the expiration of said Utzman Patent Number 1,034,746, and to one and one-half per cent (1½%) of said selling price from August 6, 1929 until February 10, 1937, the date of the expiration of said Patent Number 1,330,413.

39. That by reason of the said contract of January 20, 1928 for the sale of all of its said properties, plants and assets, including said plaster board plants, by the said The Beaver Products Company, Inc. to the Certain-teed Products Corporation and the transfer of part of its said business and properties as aforesaid, the said The Beaver Products Company, Inc. has declared to your orator its intention to repudiate its said contract of July 29, 1926 and said license agreement of even date therewith, and to refuse to perform the same, as well as its intention to refuse to further continue the manufacture of plaster board and gypsum wallboard at its said plants, or elsewhere, and to pay to your orator the full consideration agreed to be paid to it by the said The Beaver Products Company, Inc. in satisfaction of your orator's said claim for infringement by failing to pay to your orator the said amount equal to five per cent (5%) of the selling price of plaster board and gypsum wallboard sold by the said The Beaver Products Company, Inc. between January 1, 1928 and August 6, 1929, and one and one-half per cent (1½%) of such selling price from August 6, 1929 to February 10, 1937; that by the conveyance of its said properties, assets and plants 10948 as aforesaid to the said Certain-teed Products Corporation, under the terms of said contract of January 20, 1928, the said The Beaver Products Company, Inc. will

have rendered itself wholly unable to perform its said contract and license of July 29, 1926, and to make the payments to your orator as therein provided; that the said The Beaver Products Company, Inc. did, on to-wit: the 20th day of January, 1928, and does now, refuse to perform its said contract and license of July 29, 1926 with your orator and to continue the manufacture and sale of said plaster does now, refuse to pay to your orator the said amount board and gypsum wallboard throughout the full term of said contract and license agreement, and did then and equal to five per cent (5%) of said selling price from July 29, 1926 to August 6, 1929, and one and one-half per cent (1½%) thereof from August 6, 1929 to February 10, 1937, to-wit, that part thereof which would accrue to your orator between February 1, 1928 and February 10, 1937; that as a result thereof your orator has and will suffer great loss and irreparable injury and damage; that your orator has at all times kept and performed all of the agreements by it agreed to be kept and performed in and by said contract and license agreement of July 29, 1926.

40. That the said The Beaver Products Company, Inc. is or was immediately prior to said sale on January 20, 1928, a large going concern manufacturing and selling plaster board and gypsum wallboard at and from its said plants at Akron, New York, Grand Rapids, Michigan, Fort Dodge, Iowa, Blue Rapids, Kansas, and elsewhere throughout the United States, and with contracts, as your orator is informed and believes and so states the fact to be, for the manufacture and sale of plaster board and gypsum wallboard extending over many years to the termination of said license agreement on February 10, 1937; that during the period of said contract and license from July 29, 1926 to February 1, 1927, the said The Beaver Products Company, Inc. manufactured and sold at its said plants and in its said business 158,303,664 feet of said plaster board 10949 and gypsum wallboard, or approximately 9,210,364 feet thereof per month, at a selling price of \$3,935.-626.72; that the demand for plaster board and gypsum wallboard has greatly increased and the consumption thereof between the present time and the expiration of said license on February 10, 1937 will be far in excess of the consumption thereof during the prior period of said license; that on the basis of its past sales of said products, without regard to the natural increase in said business, the said The Beaver Products Company, Inc. would manufacture

and sell between the present time and February 10, 1937 the number of feet from which your orator would receive payments under said contract approximately as follows:

Wallboard				Plaster Board			
		Payments				Payments	
1928	85,142,382	5%	93,656	25,759,484	5%	16,100	
1929 (To Aug.)	49,665,000	"	54,632	15,036,000	"	9,398	
1929 (5 mos.)	35,485,000	1½%	11,710	10,740,000	1½%	2,175	
1930	87,000,000	"	28,710	35,000,000	"	7,088	
1931	89,000,000	"	29,370	45,000,000	"	9,112	
1932	91,000,000	"	30,030	55,000,000	"	11,138	
1933	93,000,000	"	30,690	65,000,000	"	13,163	
1934	95,000,000	"	31,350	75,000,000	"	15,187	
1935	97,000,000	"	32,010	85,000,000	"	17,212	
1936	99,000,000	"	32,670	95,000,000	"	19,238	
1937 (2 mos.)	15,000,000	"	4,950	15,000,000	"	3,038	
\$ 379,778				\$ 122,849			

that during the whole period commencing with the present time and ending February 10, 1937, your orator would receive in satisfaction of its said claim the sum of not less than \$502,627.00, which, with said cash payment of \$250,000.00 and said further payments made under said license aggregating \$196,781.34, would make a total payment to your orator of \$959,408.34; that your orator is also engaged in the business of manufacturing and selling plaster board and gypsum wallboard and would, in its said business, realize other great gains, profits and advantages by the continued sale of said products by the said The Beaver Products Company, Inc. under said license; that the said claim for infringement which had accrued to your orator at the time of the execution and delivery of said 10950 agreement of July 29, 1926 and said license of even date therewith, and which was to be satisfied by the payment of said sum \$250,000.00 in cash and the further payment by the said The Beaver Products Company, Inc. of an amount equal to five per cent (5%) of its selling price of said plaster board and gypsum wallboard manufactured and sold by it between July 29, 1926 and August 6, 1929, and one and one-half per cent (1½%) of such selling price between August 6, 1929 and February 10, 1937, and the conveyance of said patents described in said Exhibit B to your orator, as in said contract and license agreement provided, aggregated at the time said contract and license agreement were executed more than \$4,000,000 as aforesaid; that up to the present time your orator has only received, of the amount agreed to be paid by the said The Beaver Products Company, Inc. in said contract and license agreement, the said cash payment of \$250,000 and said payments

aggregating \$196,781.34, making total payments to your orator of \$446,781.34, and leaving wholly unpaid the full balance of said consideration of an amount equal to five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. of all the plaster board and gypsum wallboard manufactured and sold by it from February 1, 1928 to August 6, 1929, and one and one-half per cent (1½%) of said selling price from August 6, 1929 to February 10, 1937; agreed to be paid as aforesaid by said defendant, The Beaver Products Company, Inc. in satisfaction of said claim; that the said patents described in said Exhibit B, and so assigned to your orator under said contract of July 29, 1926, were worthless, and were then and are now of no value whatsoever; that the payments so made to your orator, as aforesaid, by the said The Beaver Products Company, Inc. were insufficient to satisfy and discharge the said claim of your orator for infringement in accordance with the terms of said contract and license agreement of July 29, 1926; that as a result thereof and by reason of the repudiation as aforesaid by the said The Beaver Products Company, Inc. of its said contract and license of July 29, 1926, and its failure and refusal to perform the same as aforesaid, there has become due and owing to your orator the full amount of its said claim for infringement, amounting to, to-wit: \$4,000,000, less the said sum of \$446,781.34 paid to it under said contract and license agreement; that it is impossible to determine the exact amount of the said claim of your orator for said infringement until the said The Beaver Products Company, Inc. has rendered a full account of all such gains, profits and savings realized by it and its said predecessor and subsidiaries, through the unlawful infringement of said patents as aforesaid, which the said defendant has never rendered to your orator; that the said The Beaver Products Company, Inc. and the said The Beaver Board Companies should be compelled to render a full, true and accurate account of all of the gains, profits, savings and advantages realized by them and their said predecessor and subsidiaries as a result of their said unlawful infringement of the said patents of your orator, and should be required to pay such gains, profits, savings and advantages to your orator, together with all other damages sustained by it on account of such infringement, less the said sum of \$446,781.34 paid to your orator as aforesaid, or that the said defendant The Beaver Products Company, Inc. should be required by the

decree of this court to specifically perform said contract and license agreement of July 29, 1926 by continuing the manufacture and sale of said plaster board and gypsum wallboard throughout the full term of said contract, and to pay to your orator an amount equal to five per cent (5%) of said selling price until August 6, 1929 and one and one-half per cent (1½%) of said selling price from August 6, 1929 to February 10, 1937; or to pay to your orator the full amount of all loss and damage sustained by it by reason of the failure of the said The Beaver Products Company, Inc. to continue the manufacture and sale of said product and of its refusal to pay to your orator the said amount equal to five per cent (5%) of said selling price to August 6, 1929 and one and one-half per cent (1½%) of said selling price from said last mentioned date to February 10, 1937; that if the said The Beaver Products Company, Inc. and the said The Beaver Board Companies are permitted to consummate the said contract of January 20, 1928 and to sell and convey to the said Certain-teed Products Corporation the said properties, assets and plants under the terms of said contract, the said The Beaver Products Company, Inc. and the said The Beaver Board Companies will be without any assets whatsoever and wholly unable to pay your orator's said claim and your orator will suffer great and irreparable loss and damage; that the said The Beaver Products Company, Inc. and the said The Beaver Board Companies, their officers, agents and attorneys, should be restrained and enjoined by the decree of this court from further consummating the said contract of January 20, 1928 and from selling, transferring or conveying the said properties, assets and plants to the said Certain-teed Products Corporation under said contract of January 20, 1928, or any like or similar contract; that your orator offers to do equity in the premises and to allow to the said defendants any sums or amounts with which it may be just or proper to credit them upon the taking of said account.

41. That at the time of the making of said contract on or about January 20, 1928 between the said The Beaver Board Companies and the said The Beaver Products Company, Inc. on the one part, and the said Certain-teed Products Corporation on the other part, to buy all of said plants, properties and assets of the said The Beaver Board Companies, and the said The Beaver Products Company, Inc., the said defendant, Certain-teed Products Corporation, had full knowledge of the prior infringement of the said patents

by the said The Beaver Products Company, Inc. and its predecessors and of the said claim of your orator in the sum of, to-wit: \$4,000,000 resulting therefrom, and of the agreement made between your orator and the said The Beaver Products Company, Inc. to settle said claim by the payment to your orator of the said sum of \$250,000 and an amount equal to five per cent (5%) of the selling price of the said The Beaver Products Company, Inc.

10953 of all plaster board or gypsum wallboard manufactured and sold by it between July 29, 1926 and August 6, 1929, and one and one-half per cent (1½%) of said selling price between August 6, 1929 and February 10, 1937; that the said Certain-teed Products Corporation then and there also had full knowledge of the undertaking by the said The Beaver Products Company, Inc. to continue the manufacture and sale of plaster board and gypsum wallboard throughout the full term of said contract and license, and was fully aware, of all the terms and conditions of the said contract of July 29, 1926 and of the said license agreement of even date therewith; that the said Certain-teed Products Corporation then and there well knew that the sale of the said plants, properties and assets, including the said plaster board plants at Akron, New York, Grand Rapids, Michigan, Fort Dodge, Iowa, Blue Rapids, Kansas, and elsewhere, and the payment of the consideration therefor to the stockholders of the said The Beaver Board Companies as hereinabove more specifically set forth, would render the said The Beaver Products Company, Inc. wholly unable to continue the manufacture and sale of plaster board and gypsum wallboard pursuant to the terms of said contract and license agreement and prevent it from paying to your orator the full consideration agreed to be paid by it in satisfaction of its said claim, and that by reason thereof and as a result of the sale of the said plants, properties and assets in the manner as aforesaid, the said The Beaver Products Company, Inc. would be without any assets or ability whatsoever to pay to your orator an amount equivalent to five per cent (5%) of the selling price of said plaster board and gypsum wallboard during the period ending August 6, 1929, and one and one-half per cent (1½%) of such selling price between August 6, 1929 and February 10, 1937; as in said contract and license agreement provided, and 10954 that it would be wholly unable to pay to your orator the balance of its said claim for infringement; that the transfer and sale of the said plants, properties and assets to the said Certain-teed Products Corporation as

aforesaid will constitute a fraud upon the rights of your orator in the premises, and the agreement so entered into between said defendants on, to-wit: January 20, 1928, has and will constitute a breach by the said The Beaver Products Company, Inc., with full knowledge on the part of the said Certain-teed Products Corporation, of the said agreement of The Beaver Products Company, Inc. to continue the manufacture of plaster board and gypsum wallboard throughout the full term of said license agreement, and to pay to your orator, in settlement of its said claim and for said license, an amount equivalent to five per cent (5%) of the selling price of The Beaver Products Company, Inc. of all plaster board and gypsum wallboard until August 6, 1929 and one and one-half per cent (1½%) of such selling price between August 6, 1929 and February 10, 1937; that all of the said properties, plants and assets of the said The Beaver Products Company, Inc. which have already been transferred to the said Certain-teed Products Corporation as well as all such properties, plants or assets which may hereafter be transferred to it under said contract of January 20, 1928 should be subjected to the payment of your orator's said claim and of the loss and damage sustained by it by reason of such fraudulent transfer and the breach of said agreement by the said The Beaver Products Company, Inc.; that the said Certain-teed Products Corporation, its officers, agents and attorneys, should be enjoined and restrained from in any way disposing of any of said assets which may have been transferred to it under said contract.

42. That your orator is informed and believes; and so states the fact to be, that upon the consummation of the said sale to the said Certain-teed Products Corporation under said contract of January 20, 1928, action will 10935 be taken by the stockholders and directors of the said The Beaver Board Companies and the said The Beaver Products Corporation, Inc. to dissolve the same without making any provision whatsoever for the payment to your orator of its said claim or of the said amount equivalent to five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. of all plaster board and gypsum wallboard until August 6, 1929 and of one and one-half per cent (1½%) of such selling price from August 6, 1929 to February 10, 1937; that if the said sale is consummated the stockholders of the said The Beaver Board Companies will receive all of the consideration for the sale of said properties, plants and assets, and the said stockholders should be required to pay to your orator the

full amount of its said claim for infringement less the said payments as aforesaid, or to pay to your orator five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. of all plaster board and gypsum wall-board until August 6, 1929 and of one and one-half per cent (1½%) of such selling price between August 6, 1929 and February 10, 1937; and if necessary, the amounts paid to said stockholders under said contract of January 20, 1928 should be subjected to the payment of the said sums to your orator; that the said defendants, The Beaver Board Companies and The Beaver Products Company, Inc., should be required to file with their answer in this cause a full list of all of the stockholders of the said corporation and the holders of said Voting Trust Certificates, together with their addresses and the number of shares of stock or Voting Trust Certificates owned or controlled by them, and the amount, if any, then paid to them for their said stock or Voting Trust Certificates; that the said stockholders, when named, should be made parties defendant to this bill and each of them required to pay unto this Court that part of the consideration for the sale of said assets received by him, or to give good and sufficient security therefor.

FORASMUCH, THEREFORE, as your orator is without remedy except in a court of equity where such matters are properly cognizable and relievable;

TO THE END that the said The Beaver Products Company, Inc., The Beaver Board Companies, and the Certain-
teed Products Corporation, which are made parties defendant to this bill, may be required to make full and direct answer to the same (but not under oath, answer under oath being hereby expressly waived), and that the said The Beaver Products Company, Inc. and the said The Beaver Board Companies fully set forth a true and just account of all of the profits, savings and advantages which they, or either of them, and their said predecessor, the Bestwall Mfg. Company, and their said subsidiaries, have derived from the manufacture and sale of the said infringing plaster board, and that an account may be taken under the direction of this honorable Court of all of the said profits, savings and advantages; that the said defendant, The Beaver Products Company, Inc. and the said The Beaver Board Companies be required to pay to your orator the full amount of the said gains, profits, savings and advantages so found due upon the said accounting, together

with all other damages sustained by your orator on account of the infringement of said patents, less the said sum of \$446,781.34 paid to your orator as aforesaid, or that the said defendant, The Beaver Products Company, Inc. should be required to specifically perform said contract and license agreement of July 29, 1926 by continuing the manufacture and sale of said plaster board and gypsum wallboard throughout the full term of said contract or to pay to your orator the said sum of five per cent (5%) of the 10957 selling price of all of said plaster board or gypsum wallboard which would or ought to be manufactured by the said The Beaver Products Company, Inc. between February 1, 1928 and August 6, 1929, and one and one-half per cent (1½%) of such selling price from August 6, 1929 to February 10, 1937; that the said The Beaver Products Company, Inc. and the said The Beaver Board Companies; their officers, agents and attorneys, be enjoined and restrained from further consummating the said contract of January 20, 1928 and from selling, transferring or conveying the said properties, assets and plants to the said Certain-teed Products Corporation under said contract of January 20, 1928 or any like or similar contract; that all of the said properties, plants and assets of the said The Beaver Products Company, Inc. which have heretofore been transferred to the said Certain-teed Products Corporation pursuant to the terms of the said contract of January 20, 1928, as well as all of such properties, plants or assets which may hereafter be transferred to it under said contract of January 20, 1928, be decreed by this court to be subject to the payment of your orator's said claim and of the loss and damage sustained by it; that the said Certain-teed Products Corporation, its officers, agents and attorneys, be enjoined and restrained from in any way disposing of any of said assets, properties and plants which may have been transferred to it under said contract; that the stockholders of the said The Beaver Products Company, Inc. and the said The Beaver Board Companies be required to pay to your orator, if said contract of January 20, 1928 should be consummated and said properties, assets and plants conveyed to the said Certain-teed Products Corporation pursuant to the terms thereof, the full amount of its said claim for infringement less the said payments as aforesaid, or to pay to your orator five per cent (5%) of the selling price of the said The Beaver Products Company, Inc. for 10958 all plaster board and gypsum wallboard which the said The Beaver Products Company, Inc. would have

sold between February 1, 1928 and August 6, 1929 and one and one-half per cent ($1\frac{1}{2}\%$) of such selling price between August 6, 1929 and February 10, 1937, and that the said stockholders or the holders of the said Voting Trust Certificates be required to pay into this court that part of the consideration which they or each of them have received for the sale and conveyance of said properties, assets and plants to the said Certain-teed Products Corporation or to give good and sufficient security therefor, so that the same may be subjected to the payments of the said amounts so due and owing to your orator as aforesaid; that the said defendants, The Beaver Board Companies and The Beaver Products Company, Inc., be required to report to this court the names of all of their stockholders, together with their addresses and the number of shares of stock owned or controlled by them, including the names, addresses and interest held by the said holders of Voting Trust Certificates, and that your orator have such other and further relief in the premises as to the Court shall seem meet and proper.

MAY IT PLEASE THE COURT to grant unto your orator a writ or writs of subpoena of the United States of America, directed to the said The Beaver Board Companies, The Beaver Products Company, Inc. and the Certain-teed Products Corporation according to law, commanding them that on a certain date and under a certain penalty therein mentioned, to be and appear in this honorable Court, then and there to answer all and singular the premises and to stand by such further order, direction and decree as may be made against them.

MAY IT PLEASE YOUR HONORS to grant unto your orator a writ or writs of injunction under the seal of this honorable Court, according to law, perpetually enjoining and restraining the said The Beaver Products Company, Inc., its officers, agents and attorneys, and the said The Beaver Board Companies, its officers, agents and attorneys, from further consummating the said contract of January 20, 1928 and from selling, transferring or conveying the said properties, assets and plants to the said Certain-teed Products Corporation under said contract of January 20, 1928, or any like or similar contract, and enjoining and restraining the said Certain-teed Products Corporation, its officers, agents and attorneys, from in any way disposing of any of said assets, properties and plants which

may have been transferred to it under said contract of January 20, 1928.

UNITED STATES GYPSUM COMPANY,
By O. M. KNODE, *Vice President.*
Complainant.

SCOTT, BANCROFT, MARTIN & MACLEISH
Solicitors for Complainant.

STATE OF ILLINOIS, }
COUNTY OF COOK. } SS.

O. M. KNODE, being first duly sworn, on oath deposes and says that he has read the foregoing bill of complaint subscribed by him on behalf of the said United States Gypsum Company and knows the contents thereof; that the same are true of his own knowledge except as to such matters therein stated to be upon information and belief, and as to such matters that are so stated on information and belief, he believes the same to be true.

O. M. KNODE

Subscribed and Sworn to before me this
21st day of February, A. D. 1928.

FRED SCHROEDER, JR.
Notary Public.

(Notarial Seal)

10960

UNITED STATES OF AMERICA }
Northern District of Illinois } SS.
Eastern Division }

IN THE DISTRICT COURT OF THE UNITED STATES

Term, A. D. 1928.

In Equity No.

UNITED STATES GYPSUM COMPANY,
a corporation,

Complainant
vs.

THE BEAVER PRODUCTS COMPANY, INC.,
THE BEAVER BOARD COMPANIES, and
CERTAIN-TEED PRODUCTS CORPORATION,
Defendants

I enter my security for costs in this cause, and promise to pay all costs which may accrue to the opposite party in this action, or to any of the officers of this Court; and in default of payment by the Complainant of any costs ordered or adjudged to be paid by it I hereby agree and stipulate that execution may issue against my property for all costs not exceeding two hundred dollars taxed against Complainant herein.

Dated this 21st day of February, A. D. 1928:

(Signed) ROBERT G. BEAR
1035 Maple Ave.
Residence Evanston, Ill.

Acknowledged before me this 21st day of February, 1928.

(Signed) FRED SCHROEDER, JR.
Notary Public

(Notarial Seal)

UNITED STATES OF AMERICA }
 Northern District of Illinois } ss
 Eastern Division.

IN THE DISTRICT COURT OF THE UNITED STATES
 For the Northern District of Illinois
 Eastern Division
Equity 7907.

UNITED STATES GYPSUM COMPANY,
 a corporation,
 Complainant,

v.

THE BEAVER PRODUCTS COMPANY, INC.
 THE BEAVER BOARD COMPANIES, and
 CERTAIN-TEED PRODUCTS CORPORATION,
 Defendants.

The Answer of the Defendant, Certain-teed Products Corporation to the Bill of Complaint.

Now comes Certain-teed Products Corporation, defendant in the above entitled cause, and for answer unto said bill of complaint and particularly the various paragraphs thereof hereinafter referred to, says:

1. It admits the allegations of paragraph 1.
2. It is without knowledge of the truth of the allegations of paragraph 2.
3. It is without knowledge of the truth of the allegations of paragraph 3, but this defendant admits that by license agreement dated July 29, 1926, the defendant, The Beaver Products Company, Inc., acquired a non-exclusive right, license and privilege of using the processes and using the machines and/or inventions set forth and claimed 10963 in said Utzman Patents and in any and all of the Patents or applications for Letters Patent described in Exhibits A and B attached to said license agreement, at any and all factories owned and/or operated and controlled by the said defendant The Beaver Products Company, Inc., or any subsidiary, associated or affiliated company, and manufacturing at any such place or places, selling and using plaster board or gypsum wallboard embodying the inventions

or improvements set forth and claimed in said Utzman Patents and in said Patents and applications for Letters Patent described in said Exhibits A and B, until the 10th day of February, 1937, and that said license agreement, hereinafter set forth in full in paragraph 16 of this answer, was executed under the circumstances hereinafter alleged and included Letters Patent dated June 11, 1912, numbered 1,029,328, and Letters Patent dated August 6, 1912, numbered 1,034,746, referred to in paragraphs 2 and 3.

4. It is without knowledge of the truth of the allegations of paragraph 4.

5. It is without knowledge of the truth of the allegations of paragraph 5.

6. It admits that the United States Gypsum Company, a New Jersey corporation, in its bill of complaint filed in this court against the Bestwall Mfg. Company, and particularly in its amended bill of complaint filed in said cause, made substantially the same allegations as are contained in paragraph 6; that thereafter the Bestwall Mfg. Company was enjoined by order of this court from making, using, or causing to be used, or selling to others to be used in any manner, any plaster board containing, embodying or employing the alleged inventions and improvements granted by said Letters Patent Number 1,034,746 and said 10964 Letters Patent Number 1,029,328. It denies on information and belief that said alleged infringement by the Bestwall Mfg. Company caused the United States Gypsum Company, a New Jersey corporation, great damage, loss and injury; that the said Bestwall Mfg. Company made and realized large profits and advantages from said alleged infringement, and that any such profits equalled or exceeded the sum of One Million Dollars (\$1,000,000.) or any amount approaching said sum.

7. It admits that the United States Gypsum Company, a New Jersey corporation, instituted the proceedings in this court against the Bestwall Mfg. Company described in paragraph 7; that the defendant, Bestwall Mfg. Company, in said suit filed its answer to the amended bill of complaint of said United States Gypsum Company, a New Jersey corporation, and that a decree was entered in said cause as alleged in said paragraph 7; that the defendant in said cause prayed and was allowed an appeal from said decree to the United States Circuit Court of Appeals, and

that said decree was by said Court of Appeals affirmed as alleged in said paragraph 7.

8. It denies on information and belief that either the Bestwall Mfg. Company or the defendant The Beaver Products Company, Inc., manufactured and sold a modified form of plaster board as a makeshift to avoid the effect of said decree, and that such modified form constituted an infringement of said Patents and that the said Bestwall Mfg. Company and said defendant The Beaver Products Company, Inc., continued to infringe said Patents by the manufacture and sale of such modified form in disregard of the rights of the complainant or of the said United States Gypsum Company, a New Jersey corporation.

9. It admits that on or about June 13, 1921, the complainant filed a supplemental bill in said cause referred to in paragraph 7, which supplemental bill contained 10965 the allegations set forth in paragraph 9 and contained the prayers for relief therein set forth; that an answer was filed to said supplemental bill by said Bestwall Mfg. Company, containing the averments set forth in paragraph 9.

10. It admits that the Bestwall Mfg. Company continued to manufacture plaster board, but denies on information and belief that said plaster board embodied the inventions described in said Letter Patent and was an infringement thereof as alleged in paragraph 10. It admits that the defendant, The Beaver Board Companies, acquired the capital stock of said Bestwall Mfg. Company in the year 1920, and that since that time and until on or about June 8, 1922, the said Bestwall Mfg. Company was a subsidiary of the defendant The Beaver Board Companies; that the latter had then and has ever since had a regular and established place of business in the City of Chicago, in the Northern District of Illinois, where, acting in conjunction with said Bestwall Mfg. Company until on or about June 8, 1922, it handled the sale of plaster board made by said Bestwall Mfg. Company, but on information and belief denies that the same was an infringement of said Letters Patent. It admits that the Bestwall Mfg. Company, the American Cement Plaster Company and other subsidiaries of said defendant The Beaver Board Companies, on or about June 8, 1922, conveyed and assigned to the defendant The Beaver Products Company, Inc., all their assets and properties of every kind and description, upon the con-

sideration set forth in paragraph 10, and that said defendant The Beaver Products Company, Inc., thereupon became and is now vested with the title to and is the true and lawful owner of the business and of all the assets theretofore belonging to the Bestwall Mfg. Company and said subsidiaries; that the defendant The Beaver Products Company, Inc., during the period from June 8, 1922, to July 29, 1926, continued the operations of the business theretofore conducted by said Bestwall Mfg. Company and to manufacture plaster board at its various plants; but on information and belief denies that the same infringed any rights of the complainant or any Letters Patent owned or controlled by it, or any invention or inventions embodied therein. It admits that since June 8, 1922, the defendant, The Beaver Board Companies, has been the holding company of the defendant, The Beaver Products Company, Inc., and owns its entire capital stock and that said defendants last mentioned manufactured and sold between June 8, 1922, and July 29, 1926, in the cities of Chicago, Akron, New York and elsewhere throughout the United States, such plaster board, but on information and belief denies that the same infringed any rights of the complainant or of any Letters Patent owned or controlled by it, or any invention embodied therein. It denies on information and belief that either of these defendants derived and received great gains and profits from the sale of such plaster board, and that by reason of such manufacture and sale the complainant suffered great loss, damage and injury as alleged in paragraph 10.

11. It admits that complainant filed in said cause a supplemental bill on June 30, 1922, making the allegations set forth in paragraph 11 and praying for relief as therein set forth, and that thereafter an answer was filed by the Bestwall Mfg. Company to said supplemental bill of complaint, and the defendants The Beaver Products Company, Inc., and The Beaver Board Companies appeared therein and also filed answers to said supplemental bill of complaint as alleged in paragraph 11.

12. It admits that a decree was entered in said cause subsequent to the filing of said supplemental bill of complaint, containing the matters set forth and alleged in paragraph 12.

13. It admits the allegations of paragraph 13.

10967 14. It denies on information and belief the allegations of paragraph 14 that the defendants The Beaver

Products Company, Inc., and The Beaver Board Companies, by themselves and through their subsidiaries, continued to manufacture and sell any plaster board in defiance of the rights of complainant or in infringement of said Letters Patent or any inventions embodied therein, or that any alleged infringement by said defendants caused complainant great loss, damage and injury, and denies on information and belief that at the time of the execution of said contract and license agreement or at any other time the defendant The Beaver Products Company, Inc., and/or its subsidiaries had manufactured and sold a large quantity of plaster board at a profit of upwards of Four Million Dollars (\$4,000,000.) or any amount approximating said sum, as alleged in paragraph 14. It admits that defendant The Beaver Products Company, Inc., assumed all liabilities and obligations of the Bestwall Mfg. Company, the American Cement Plaster Company and other subsidiaries. It has no knowledge of the truth of the allegations of said paragraph 14 that the complainant on or about August 26, 1920, received from the United States Gypsum Company, a New Jersey corporation, assignments of claims as alleged in paragraph 14. It denies that at the time of the execution of said contract and license agreement or at any other time the defendant The Beaver Products Company, Inc., became liable to the complainant and was indebted to it in the sum of over Four Million Dollars (\$4,000,000.) or any amount approximating said sum for profits, gains and advantages derived from the manufacture and sale of any plaster board or for damages sustained by complainant by reason of any infringement of its patents.

15. On information and belief it alleges that prior to July 29, 1926, the complainant had asserted claims for damages against the defendant The Beaver Products Company, Inc., because of alleged infringements of complainant's patents by reason of the manufacture and sale by said defendant The Beaver Products Company, Inc., and said Bestwall Mfg. Company of plaster board and wallboard having a so-called protected edge as distinguished from an open edge; that such claims had been asserted in the proceedings in this court mentioned and described in the bill; that this court by decree entered in said proceeding had determined that the manufacture and sale of such plaster board and wallboard by said defendants in said cause did infringe the inventions owned

and controlled by the complainant embodied in said Letters Patent; that said litigation had consumed and appeared likely to consume a great deal of time, and had involved and appeared likely to involve a very substantial expense to said defendants, and notwithstanding said defendants had taken an appeal which was then pending in the Circuit Court of Appeals from the decree last entered in said cause and were advised by eminent counsel and believed that said decree should be and would be reversed on the hearing on said appeal, nevertheless said defendants considered it advisable from a business standpoint to settle, without the necessity of further litigation, the disputes which had arisen between them and said complainant in regard to the respective rights of the parties in the premises; that the defendant The Beaver Products Company, Inc., obtained from complainant a license to manufacture and sell plaster board under said Patents Numbers 1,034,746 and 1,029,328 upon the royalty payments set forth in said license agreement, and said defendants thereby recognized the validity of said Letters Patent; that the complainant and said defendant The Beaver Products Company, Inc., entered into an agreement of settlement whereby said defendant The Beaver Products Company, Inc., agreed to pay the sum of Two Hundred Fifty Thousand Dollars (\$250,000.) in cash and to assign certain patents and applications for letters patent as specified in said settlement agreement and to enter 10969 into said license agreement. It admits that the defendant The Beaver Products Company had plaster board plants for the manufacture of plaster board and gypsum wallboard at Akron, New York, Grand Rapids, Fort Dodge and Blue Rapids, and that it manufactured and sold large quantities of plaster board. It denies on information and belief that the defendants The Beaver Products Company, Inc., and The Beaver Board Companies or either of them represented to complainant that payments upon the sale of said plaster board until August 6, 1929, would amount to over Ten Thousand Dollars (\$10,000.) a month, and thereafter and until February 10, 1937, to over Three Thousand Dollars (\$3,000.) a month without respect to any increases which there might be in the business of the said defendant The Beaver Products Company, Inc.; that the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, represented to complainant that the said The Beaver Products Company, Inc., was in sound financial condition and capable of continuing in its manufacturing business

throughout the said term; that the normal increase in its business would net to complainant sums in excess of the amounts above stated; that the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, represented that the said The Beaver Board Products Company, Inc., would continue the manufacture and sale of said plaster board and wallboard at its plants throughout said period. And this defendant says that while no such representations were made by the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, even if any such statements or estimates had been made they would be without materiality in this case and would have no bearing upon the rights of the respective parties hereto, for the reason that any such statements and/or estimates were not representations of and did not concern existing facts but were purely prospective in their nature, and in any event would be merged in the said settlement 10970 agreement and license agreement and could not have the effect of adding to or subtracting from said agreements or varying the terms thereof or changing in any way the rights and obligations of the parties to such agreements thereunder.

It denies on information and belief that the complainant was induced by any representations of the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, to grant said license and/or to settle any claims which it might have had against the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, as alleged in paragraph 15.

16. On information and belief it alleges that thereupon to-wit: on July 29, 1926, the agreement so made between the complainant and the defendant The Beaver Products Company, Inc., was reduced to writing and executed and delivered by the respective parties, and is, except for Exhibits A, B and C, in words and figures as follows, to-wit:

"This Agreement, executed in duplicate this 29th day of July, 1926, by and between the UNITED STATES GYPSUM COMPANY, an Illinois corporation, of Chicago, Illinois, hereinafter referred to as 'Gypsum Company', party of the first part, and THE BEAVER PRODUCTS COMPANY, INC., a New York corporation, of the Town of Tonawanda, State of New York, hereinafter referred to as 'BEAVER COMPANY', party of the second part;

WITNESSETH:

Whereas, the Gypsum Company is the owner of the entire right, title and interest in, to and under Letters Patent of the United States, No. 1,029,328, dated June 11th, 1912, for Method of Manufacturing Plaster Board, and No. 1,034,746, dated August 6th, 1912, for Plaster Board, (hereinafter called the 'Utzman patents'), and is also the owner of the entire right, title and interest in, to and under the Letters Patent and Applications for Letters Patent of the United States set forth in Exhibit 'A' attached hereto and made a part hereof, and any and all Letters Patent which may be granted therefor or thereupon; and

10971 Whereas, the Gypsum Company is about to acquire in part settlement of its claims against said Beaver Company the entire right, title and interest in, to and under the Letters Patent and Applications for Letters Patent of the United States; set forth in Exhibit 'B' attached hereto and made a part hereof; and

Whereas, heretofore, on or about November 20th, 1916, the Gypsum Company filed its Bill of Complaint in the United States District Court for the Northern District of Illinois, Eastern Division, against the Bestwall Manufacturing Company, (a predecessor in title of the Beaver Company) charging infringement by it of the aforesaid Letters Patent, Numbers 1,029,328 and 1,034,746, and thereafter the said Court, upon a trial of the issues in said cause, by its decision rendered July 21st, 1919 (258 Fed. 647) found both of the said Letters Patent valid and infringed by the defendant in said cause, and subsequently on or about January 4th, 1921, the decree of the District Court entered pursuant to the aforesaid decision and awarding an accounting for profits and damages and ordering the issuance of a permanent injunction, was affirmed by the United States Circuit Court of Appeals for the Seventh Circuit (270 Fed. 542) and subsequently the Gypsum Company on June 13th, 1921, filed its Supplemental Bill in said cause charging infringement of the said last mentioned Letters Patent by the method employed in the manufacture of and by the modified form of plaster board then being manufactured and sold by the defendant in said cause, and thereupon further proceedings were had and taken in said cause (decisions with respect to which are reported in 290 Fed. (C.C.A.) 798, 290 Fed. (C.C.A.) 800, and 263 U. S. 713), and thereafter upon trial in open court the said District Court

on or about July 21, 1925, found the issues under said supplemental bill in favor of the Gypsum Company and that the said Letters Patent were infringed by the method of manufacture and by the modified form of plaster board then being manufactured and sold by the defendant therein and ordered an accounting of profits and damages and the issuance of a permanent injunction (decision not yet reported) and more recently, on or about November 4, 1925, the United States Circuit Court of Appeals for the Seventh Circuit granted a stay of the accounting proceedings and of the issuance of the injunction so ordered by the District Court upon the filing by the defendant (appellant) of a bond in the penal sum of One Million Dollars (\$1,000,000.), which said bond was duly filed and said cause is now pending on appeal in the said United States Circuit Court of Appeals for the Seventh Circuit; and

Whereas, the Gypsum Company has a substantial claim against the Beaver Company because and on account of said infringement, and the parties hereto have expended large sums of money in said patent litigation and the same has been otherwise costly and expensive to them and they are desirous of making a full and complete settlement of said controversy and of avoiding further litigation; and

Whereas, the parties hereto have agreed to settle said claim by the payment to the Gypsum Company by the Beaver Company of the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) in cash, and an amount equivalent to five per cent (5%) of Beaver Company's selling price of all plaster board or gypsum wallboard manufactured and sold by it until August 6, 1929, and one and one-half per cent ($1\frac{1}{2}\%$) of such selling price from 10972 August 6, 1929 to February 10, 1937, and the assignment to the Gypsum Company of the said Letters Patent and applications for Letters Patent set forth in said Exhibit 'B', and the granting to Beaver Company of the license as in this agreement contained.

Now, therefore, in consideration of the sum of One Dollar (\$1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the parties hereto do hereby agree as follows, to-wit:

1. The Beaver Company hereby agrees to pay to the Gypsum Company upon the execution of this agreement the sum of Two Hundred Fifty Thousand Dollars (\$250,000.00) and to assign, transfer, convey and set over, or cause to be

assigned, transferred, conveyed and set over, unto the Gypsum Company the said Letters Patent and Applications for Letters Patent described in said Exhibit 'B' and any and all Letters which may be issued therefor or thereupon, in consideration of which, and of the payment by the Beaver Company to the Gypsum Company of the amounts hereinafter mentioned, the Gypsum Company does hereby release and discharge the Beaver Company, the Beaver Board Companies, Bestwall Manufacturing Company, the American Cement Plaster Company, and every subsidiary, associated or affiliated company, and all persons privy to or claiming under any of them, from all claims and demands, whether for damages or profits or for both damages and profits, which the Gypsum Company now has against them or any of them, for or on account of any infringement of any of its said Utzman patents and said patents described in Exhibit 'A', by the Beaver Company or any predecessor in interest or title, prior to the date hereof.

2. The parties hereto do hereby agree to dismiss, without further cost to either party, all actions both at law and in equity, wheresoever pending, arising out of or in any way connected with the infringement of the said Utzman patents, against The Beaver Products Company, Inc., the Beaver Board Companies, Bestwall Manufacturing Company, the American Cement Plaster Company, or any subsidiary, associated or affiliated company of any of them, it being understood, however, that the Appeal in Cause No. 3693, October Term, 1925, now pending in the Circuit Court of Appeals for the Seventh Circuit, shall be dismissed so that the decree below shall stand as a final adjudication in said cause. It is further understood that the judgment therein for an accounting shall be satisfied of record and that the Gypsum Company waives all right to the issuance of a writ of injunction pursuant to the terms of said decree.

3. The Gypsum Company agrees to give and grant unto Beaver Company an indivisible and non-exclusive right, license and privilege of using the processes and making and using the machines and/or inventions set forth and claimed in said Utzman patents and in any and all of said patents or applications for letters patent described in said Exhibits 'A' and 'B', at any and all factories now or hereafter owned and/or operated or controlled by the Beaver Company or any subsidiary, associated or affiliated company, and of manufacturing at any such place or places, selling and using plaster board or gypsum wallboard em-

bodying the inventions and improvements set forth. 10973 and claimed in said Utzman patents and said patents and applications for letters patent described in Exhibits 'A' and 'B', until the 10th day of February, 1937, the date of expiration of Patent No. 1,330,413, mentioned in said Exhibit 'A', which said license shall be evidenced by a separate instrument this day executed and delivered to the Beaver Company, a true copy of which is hereto attached marked Exhibit 'C' and made a part hereof.

4. The Beaver Company further agrees to pay to the Gypsum Company in settlement and discharge of the said claim, and for the right, license and privilege of manufacturing, using and/or selling plaster board or gypsum wallboard, and for the privilege of using the processes and making and using the machines and/or inventions embodying the inventions and improvements set forth and claimed in said Utzman patents and in any and all of said patents and applications for letters patent described in Exhibits 'A' and 'B', an amount (hereinafter for convenience referred to as a license fee or royalty) equivalent to five per cent (5%) of the selling price of the Beaver Company, of all plaster board or gypsum wallboard of every kind, manufactured and sold by the Beaver Company between the date hereof and August 6, 1929 the date of the expiration of said Utzman Patent No. 1,034,746, and thereafter an amount equivalent to one and one-half per cent (1½%) of the selling price of the Beaver Company, of all such plaster board or gypsum wallboard, from August 6, 1929, until February 10, 1937, the date of the expiration of said patent No. 1,330,413.

5. It is expressly understood and agreed that the said license shall be personal to the Beaver Company and that the same or any right therein or thereunder shall not be sold, assigned or transferred without the written consent of the Gypsum Company or transferred by operation of law, except that the same may be assigned to any successor or subsidiary corporation of the Beaver Company, and except that in the event of the appointment of a receiver or receivers for the purpose of conserving the business and assets of the Beaver Company, such receiver or receivers shall succeed to all the Beaver Company's rights under said license and under this agreement.

6. The said License shall contain a provision that the said license is granted upon the condition that the Gypsum Company shall have, and that it does thereby reserve, the

right to determine and fix at any time, and to change from time to time during the term of said Utzman Patent Number 1,034,746, the minimum price or prices (not more, however, than the then prevailing market price or prices) at which the Beaver Company shall sell any plaster board or gypsum wallboard manufactured by the Beaver Company embodying the improvements set forth and claimed in said Utzman Patent Number 1,034,746, and in case it shall exercise the right so reserved it shall first serve written notice of its intention so to do upon the Beaver Company, accompanied with a statement of the price or prices at which the Beaver Company shall sell said patented product, and thereafter shall give to the Beaver Company written or telegraphic notice of any change in such price or prices, and the Beaver Company expressly covenants and agrees that it will not at any time during the term of said Utzman

Patent Number 1,034,746, after the receipt of such 10974 notice, directly or indirectly sell or offer for sale any plaster board or gypsum wallboard, embodying the improvements set forth and claimed in said Utzman Patent Number 1,034,746, at a price or prices less than that stated by the Gypsum Company in said notice, or in any such written or telegraphic notice of a change in such price or prices. It is expressly understood and agreed that this provision of the said License shall apply only to the said Utzman Patent Number 1,034,746, and shall not apply to any of said other Letters Patent.

7. The Beaver Company agrees, during the term of said license, to keep separate, full and accurate books of account and records showing the exact quantity of all plaster board and gypsum wallboard manufactured and sold by it, and agrees that on or before the 20th day of each and every calendar month during said term it will render unto the Gypsum Company true written returns, verified under oath by an officer or other agent of the Beaver Company, setting forth the quantity of all said plaster board and gypsum wallboard manufactured and sold by it during the preceding calendar month, together with the price or prices at which the same was sold, such written returns to be delivered to the Gypsum Company at its office in Chicago, Illinois, and the Beaver Company agrees to pay to the Gypsum Company, on or before the 20th day of each calendar month, at the office of the Gypsum Company at Chicago, Illinois, the hereinbefore stipulated royalties or license fees which may then be due under the said license on account of all of said plaster board and gypsum wallboard manufactured and sold by it during the next preceding calendar month.

8. The Gypsum Company, or its duly authorized representative, shall during the term of said license have the right at all reasonable times during business hours to inspect the books of account and records of the Beaver Company referred to in the next preceding paragraph hereof, including all records of every kind showing the quantity of said plaster board and gypsum wallboard manufactured and sold by it, the price or prices at which the same was sold, and to make copies thereof and memoranda therefrom.

9. The Beaver Company agrees that all plaster board or gypsum wallboard manufactured and sold by it embodying the claims of any of said patents, shall be distinctly marked with the word 'PATENTED' together with the dates of the Utzman patents and the dates of any other patents which the Gypsum Company may properly specify, and in connection with the said markings it will further mark said patented product with the words 'Licensed under the above Letters Patent,' which markings shall be plainly visible.

10. Having regard for the fact that there are or may be certain manufacturers of plaster or gypsum products who do not or may not manufacture gypsum wallboard or plaster board but who desire or may desire to have gypsum wallboard or plaster board manufactured for them, it is understood and agreed that the Beaver Company may manufacture gypsum wallboard or plaster board embodying the inventions and improvements set forth and claimed in said Letters Patent, for any such other manufacturer; provided, however, that the said license fee or royalty to be 10975 paid to the Gypsum Company as hereinbefore provided, shall be based upon all gypsum wallboard or plaster board manufactured for such other manufacturer, and upon the regular selling price of the Beaver Company of such plaster board or gypsum wallboard to its regular dealer trade at the time of such sale, and shall not be based upon the price at which said plaster board or gypsum wallboard is sold by the Beaver Company to such other manufacturer.

11. The Beaver Company expressly covenants and agrees that all of said patented product sold by it and commonly known in the trade as 'seconds' shall be plainly invoiced as seconds and shall be plainly marked with a visible red stamp or label firmly fixed on each of said boards showing the word 'seconds' in letters at least three inches in height.

12. It is expressly understood and agreed that the patented product manufactured and sold hereunder shall include all board having a protected edge, it being recognized by the parties hereto that any board manufactured by the Beaver Company having a protected edge is within the scope of said Utzman patents Nos. 1,029,328 and 1,034,746.

After the expiration of said Letters Patent No. 1,034,746, and until the expiration of Letters Patent No. 1,330,413, it is expressly understood and agreed that the patented product manufactured and sold hereunder shall include all board having a protected edge, the parties hereto agreeing hereby that any and all board having a protected edge is within the claims or is manufactured according to the processes or by the use of machines embodying the claims either of said Letters Patent No. 1,330,413, or of one or more of the other of said Letters Patent listed in Exhibits 'A' and 'B' hereto, under which the aforesaid indivisible and none-exclusive right, license and privilege is granted.

13. As one of the considerations for the indivisible and non-exclusive license herein and hereby granted, Beaver Company hereby acknowledges the validity of the letters patent, granted and to be granted, forming the subject-matter of said license, throughout the respective lives of the said letters patent and each of them, and agrees that it will not at any time before or after the expiration or termination of said license, directly or indirectly, by itself, through or together with another or others, contest the validity of either or any of said letters patent or the title hereto of the Gypsum Company, or question in any way the prima facie scope of either or any of said letters patent, or the priority, novelty or patentability of the subject matter of any of the said applications for letters patent.

14. In the event that the Beaver Company shall at any time neglect, fail or refuse to keep or perform any of the conditions and agreements herein to be by the Beaver Company kept and performed, then Gypsum Company, at its election, may serve upon Beaver Company notice of intention to terminate the license herein granted, which notice shall specify the alleged neglect, failure or refusal; and if, within thirty (30) days from the date of delivery of said notice, the Beaver Company shall not keep or perform the conditions and agreements specified in said notice, then

said license and all rights acquired by the Beaver 10976 Company thereunder shall be and become cancelled and terminated, without the necessity of any court action; provided, however, that the Beaver Company shall not be relieved thereby from paying to the Gypsum Company any license fees or royalties or any other obligations accrued hereunder at the time of such termination. In case at any time the Beaver Company shall commit any act of bankruptcy, then the license hereunder shall immediately be and become cancelled and terminated; but the Gypsum Company shall not thereby be prevented from collecting all license fees or royalties and other obligations accrued hereunder at the time of such termination. Failure on the part of the Gypsum Company to notify the Beaver Company of a breach of the license or to terminate said license because of such breach shall not constitute a waiver of the Gypsum Company's right to terminate said license in accordance with the provisions of this paragraph. The Gypsum Company may specifically enforce this contract or any of the terms, conditions and covenants thereof, by injunction or in such other manner as may be provided by law.

15. It is understood and agreed that if at any time during the continuance of the license the Beaver Company shall, in the judgment of the Gypsum Company, suffer substantial detriment by reason of any infringement upon the part of any person or persons of the said patents whether now or hereafter issued under which the license is granted, the Gypsum Company will afford the Beaver Company such reasonable protection as in the judgment of the Gypsum Company shall be necessary or proper, and in case the Gypsum Company shall grant to any such infringer, or to any other person, any license under said patents upon terms more favorable than those contained in the said license, then it will grant to Beaver Company a license on the same terms.

16. The Gypsum Company agrees, upon the expiration of the said license, to grant to the Beaver Company a license to manufacture, use and/or sell under said patents and applications for letters patent described in said Exhibits 'A' and 'B', upon such terms and conditions as may then be agreed upon between the parties hereto, and failing to arrive at any such agreement the Gypsum Company will grant to the Beaver Company from and after such expiration date, a license to make, and use the machines and use the processes and to manufacture, use and sell

the articles disclosed in said patents and applications for letters patent described in said Exhibit 'B', whether or not disclosed or claimed in any patent or application for letters patent, described in Exhibit 'A'; in consideration of the sum of One Dollar (\$1.00), the receipt whereof is hereby acknowledged by the Gypsum Company.

17. The term 'plasterboard' and 'gypsum wallboard' shall be understood to mean all board by whatever name called having the structural characteristics of plasterboard or gypsum wallboard, irrespective of the purpose for the which the same may be sold or used.

18. This agreement shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, but nothing in this paragraph contained shall be construed to permit assignment by the Beaver Company of any right hereunder, or under said license, except as hereinabove specifically authorized.

19. It is understood and agreed that the patents and applications for Letters Patent set forth in Exhibit 'B' are pledged with Central Trust Company of Illinois and Aksel K. Bodholdt, Trustees under a certain First and Refunding mortgage, executed by Beaver Products Company, Inc., to said Central Trust Company and Aksel K. Bodholdt, Trustees, dated July 1, 1922, and the same are to be released and assigned to the Gypsum Company by said trustees, or one of said trustees. It is further understood and agreed that the Beaver Company shall be authorized and empowered to pledge the license herein provided for with said trustees under said mortgage, with the express understanding, however, that the same shall not be transferred or assigned by said trustees, on a foreclosure of said mortgage, to any person or persons, without the consent of the Gypsum Company.

In Witness Whereof, the parties hereto have caused these presents to be signed by their respective Presidents, attested by their respective Secretaries, and their corporate seals to be hereunto affixed, in duplicate, the date and year first above written.

UNITED STATES GYPSUM COMPANY,
By /s/ S. L. AVERY,
(Its President).

(SEAL)

ATTEST:

/s/ GEO. H. GLYNN,
Asst. Secretary.

THE BEAVER PRODUCTS COMPANY, INC.,
By /s/ A. S. BLAGDEN,
(Its President).

(SEAL)

ATTEST:

/s/ E. H. LETCHWORTH,
(Secretary)."

On information and belief it alleges that on or about July 29, 1926, the complainant and the defendant The Beaver Products Company, Inc., executed, pursuant to the terms of the above mentioned settlement agreement, a license agreement in the form of Exhibit "C" to said settlement agreement, which license agreement, except for Exhibit "A" and the signatures of the parties, is in the words and figures following, to-wit:

10978

"LICENSE AGREEMENT

This Agreement executed in duplicate this 29th day of July, 1926, by and between the UNITED STATES GYPSUM COMPANY, an Illinois corporation of Chicago, Illinois, hereinafter referred to as "Licensor" and THE BEAVER PRODUCTS COMPANY, INC., a New York corporation of the Town of Tonawanda, State of New York, hereinafter referred to as 'Licensee'.

WITNESSETH:

Whereas, Licensor is the owner of the entire right, title and interest in, to and under Letters Patent of the United States, No. 1,029,328, dated June 11th, 1912, and No. 1,034,746, dated August 6, 1912, (hereinafter called the "Utzman Patents"), and is also the owner of the entire right, title and interest in, to and under the Letters Patent and applications for Letters Patent of the United States set forth in Exhibit 'A' attached hereto and made a part hereof, and

any and all Letters Patent which may be granted therefor or thereupon; and

Whereas, heretofore said Utzman patents have been adjudicated by the United States District Court for the Northern District of Illinois, Eastern Division, and by the United States Circuit Court of Appeals for the Seventh Circuit (258 Fed. 647; 270 Fed. 542; 290 Fed. 798; 290 Fed. 800; see also 263 U.S. 713) and said courts have decreed that said Utzman patents are valid and were infringed by the defendants in the cases so reported, and in the decision of the said District Court rendered on or about July 21, 1925, and not yet reported, by reason of the making, using and selling of plaster board or gypsum wallboard having protected edges, and said District Court has ordered perpetual injunctions and accountings against said defendants; and

Whereas, Licensee recognizes and admits the validity and scope of said Utzman patents and admits that Licensee has heretofore infringed upon the same, and that Licensor has a substantial claim against Licensee for damages and profits because and on account of said infringement, and both Licensor and Licensee have expended or will be compelled to expend large sums of money in patent litigation in respect of said infringement, and such litigation has been, or will be otherwise costly and expensive to both of said parties who are therefore desirous of making a full and complete settlement of their controversies and of avoiding further litigations; and

Whereas, the parties hereto have agreed to settle said claim by the payment to the Licensor by the Licensee, of a sum of money in cash and an amount equivalent to five per cent (5%) of Beaver Company's selling price of all plaster board or gypsum wallboard manufactured and sold by it until August 6, 1929, and one and one-half per cent (1½%) of such selling price from August 6, 1929, to February 10, 1937, and the assignment to Licensor of certain Letters Patent and applications for Letters Patent, and the granting of this License to the Licensee.

Now, therefore, in consideration of the sum of One Dollar (\$1.00) and other good and valuable considerations, the receipt whereof is hereby acknowledged, the parties hereto do hereby agree as follows, to wit:

10979 1. Licensor has agreed to and does hereby give and grant unto Licensee, an indivisible and non-

exclusive right, License and privilege of using the processes, and making and using the machines and/or inventions set forth and claimed in said Utzman Patents, and in any and all of said patents or applications for letters patent described in said Exhibit 'A', at any and all factories now or hereafter owned and/or operated or controlled by Licensee or any subsidiary, associated or affiliated company, and of manufacturing at any such place or places, selling and/or using plaster board or gypsum wallboard embodying the inventions and improvements set forth and claimed in said Utzman patents and said patents and applications for Letters Patent described in Exhibit 'A', until the 10th day of February, 1937, the date of expiration of Patent No. 1,330,413, mentioned in said Exhibit 'A'.

It is expressly agreed and understood that the indivisible and non-exclusive right; license and privilege aforesaid is granted upon condition that the Licensor shall have, and it hereby reserves the right to determine and fix at any time, and to change from time to time during the term of said Utzman patent No. 1,034,746, the minimum price or prices, (not more, however, than the then prevailing market price or prices) at which the Licensee shall sell any plaster board or gypsum wallboard manufactured by Licensee embodying the improvements set forth and claimed in said Utzman Patent 1,034,746, and in case it shall exercise the right so reserved it shall first serve written notice of its intention so to do upon Licensee, accompanied with a statement of the price or prices at which the Licensee shall sell said patented product and thereafter shall give to the Licensee written or telegraphic notice of any change in such price or prices, and the Licensee expressly covenants and agrees that it will not at any time during the term of said Utzman patent No. 1,034,746 after the receipt of such notice, directly or indirectly sell or offer for sale, any plaster board or gypsum wallboard embodying the improvements set forth and claimed in said Utzman patent No. 1,034,746 at a price or prices less than that stated by the Licensor in said notice, or in any such written or telegraphic notice of a change in such price or prices. It is expressly understood and agreed that this provision of the said License shall apply only to the said Utzman patent No. 1,034,746, and shall not apply to any of said other Letters Patent.

2. The Licensee further agrees to pay to the Licensor, in settlement and discharge of the said claim, and for the right, license and privilege of manufacturing, using and/or

selling plaster board or gypsum wallboard, and for the privilege of using the processes and making and using the machines and/or inventions; embodying the inventions and improvements set forth and claimed in said Utzman patents and in any and all of said patents and applications for Letters Patent described in Exhibit 'A', an amount (hereinafter for convenience referred to as a license fee or royalty) equivalent to five per cent (5%) of the selling price of the Licensee, of all plaster board or gypsum wallboard of every kind, manufactured and sold by Licensee between the date hereof and August 6, 1929, the date of the expiration of said Utzman patent No. 1,034,746, and thereafter an amount equivalent to one and one-half per cent (1½%) of the selling price of the Licensee, of all such plaster board or gypsum wallboard, from 10980 August 6, 1929 until February 10, 1937, the date of the expiration of said patent No. 1,330,413.

3. It is expressly understood and agreed that the said License shall be personal to the Licensee and that the same or any right therein or thereunder shall not be sold, assigned or transferred without the written consent of the Licensor or transferred by operation of law, except that the same may be assigned to any successor or subsidiary corporation of Licensee, and except that in the event of the appointment of a receiver or receivers for the purpose of conserving the business and assets of Licensee, such receiver or receivers shall succeed to all of Licensee's rights under said license and under this agreement.

4. Licensee agrees to keep separate, full and accurate books of account and records showing the exact quantity of all plaster board and gypsum wallboard manufactured and sold by it, and agrees that on or before the 20th day of each and every calendar month it will render unto Licensor true written returns, verified under oath by an officer or other agent of Licensee, setting forth the quantity of all plaster board and gypsum wallboard manufactured and sold by it during the preceding calendar month, together with the price or prices at which the same was sold, such written returns to be delivered to Licensor at its office in Chicago, Illinois, and Licensee agrees to pay to Licensor, on or before the 20th day of each calendar month, at the office of Licensor at Chicago, Illinois, the hereinbefore stipulated royalties or license fees which may then be due under this agreement on account of all of said

plaster board and gypsum wallboard manufactured and sold by it during the next preceding calendar month.

5. Licensor, or its duly authorized representative shall have the right at all reasonable times during business hours to inspect the books of account and records of Licensee referred to in the next preceding paragraph hereof, including all records of every kind showing the quantity of said plaster board and gypsum wallboard manufactured and sold by it, the price or prices at which the same was sold, and to make copies thereof and memoranda therefrom.

6. Licensee agrees that all plaster board or gypsum wallboard manufactured and sold by it embodying the claims of any of said patents shall be distinctly marked with the word 'PATENTED', together with the dates of the Utzman patents, and the dates of any other patents which Licensor may properly specify, and in connection with the said markings it will further mark said patented product with the words 'Licensed under the above Letters Patent', which markings shall be plainly visible.

7. Having regard for the fact that there are or may be certain manufacturers of plaster or gypsum products who do not or may not manufacture gypsum wallboard or plaster board but who desire or may desire to have gypsum wallboard or plaster board manufactured for them, it is understood and agreed that Licensee may manufacture gypsum wallboard or plaster board embodying the inventions and improvements set forth and claimed in said Letters Patent, for any such other manufacturer; provided, however, that the said license fee or royalty to be 10981 paid to Licensor as hereinbefore provided shall be based upon all gypsum wallboard or plaster board manufactured for such other manufacturer and upon the regular selling price of Licensee of such plaster board or gypsum wallboard to its regular dealer trade at the time of such sale, and shall not be based upon the price at which plaster board or gypsum wallboard is sold by Licensee to such other manufacturer.

8. Licensee expressly covenants and agrees that all of said patented product sold by it and commonly known in the trade as 'seconds' shall be plainly invoiced as seconds and shall be plainly marked with a visible red stamp or label firmly fixed on each of said board showing the word 'seconds' in letters at least three inches in height.

9. It is expressly understood and agreed that the patented product manufactured and sold hereunder shall include all board having a protected edge, it being recognized by the parties hereto that any board manufactured by Licensee having a protected edge is within the scope of said Utzman patents Nos. 1,029,328 and 1,034,746.

After the expiration of said Letters Patent No. 1,034,746 and until the expiration of Letters Patent No. 1,330,413, it is expressly understood and agreed that the patented product manufactured and sold hereunder shall include all board having a protected edge, the parties hereto agreeing hereby that any and all board having a protected edge is within the claims or is manufactured according to the processes or by the use of machines embodying the claims either of said Letters Patent No. 1,330,413, or of one or more of the other of said letters patent listed in Exhibit 'A' hereto, under which the aforesaid indivisible and non-exclusive right, license and privilege is granted.

10. As one of the considerations for the indivisible and non-exclusive license herein and hereby granted, Licensee hereby acknowledge the validity of the Letters Patent, granted and to be granted, forming the subject-matter of this license; throughout the respective lives of the said Letters Patent and each of them, and agrees that it will not at any time before or after the expiration or termination of this license, directly or indirectly, by itself, through or together with another or others, contest the validity of either or any of said Letters Patent or the title thereto of Licensor, or question in any way the prima facie scope of either or any of said Letters Patent, or the priority, novelty or patentability of the subject matter of any of the said applications for letters patent.

11. In the event that Licensee shall at any time neglect, fail or refuse to keep or perform any of the conditions and agreements herein to be by Licensee kept and performed, then Licensor, at its election, may serve upon Licensee notice of intention to terminate the license herein granted, which notice shall specify the alleged neglect, failure or refusal; and if, within thirty (30) days from the date of delivery of said notice, Licensee shall not keep or perform the conditions and agreements specified in said notice, then said license and all rights acquired by Licensee hereunder shall be and become cancelled and terminated without the necessity of any court action; provided, however, that Licensee shall not be

relieved thereby from paying to Licensor any license fees or royalties or any other obligations accrued hereunder at the time of such termination. In case at any time Licensee shall commit any act of bankruptcy, then the license hereunder shall immediately be and become cancelled and terminated, but Licensor shall not thereby be prevented from collecting all license fees or royalties and other obligations accrued hereunder at the time of such termination. Failure on the part of Licensor to notify Licensee of a breach of this license contract or to terminate said license because of such breach shall not constitute a waiver of Licensor's right to terminate said license in accordance with the provisions of this paragraph. Licensor may specifically enforce this contract or any of the terms, conditions and covenants hereof, by injunction or in such other manner as may be provided by law.

12. Any notice to be given under the terms hereof may be served upon the Licensee by mailing the same to the Licensee, postage prepaid, addressed to it at its last known principal office, and the deposit of any such notice in the United States mails, postage prepaid and so addressed, shall constitute service of said notice upon the Licensee.

13. It is understood and agreed that if at any time during the term hereof the Licensee shall, in the judgment of the Licensor, suffer substantial detriment by reason of any infringement upon the part of any person or persons of the said patents, whether now or hereafter issued, under which this license is granted, the Licensor will afford the Licensee such reasonable protection as in the judgment of the Licensor shall be necessary or proper; and in case the Licensor shall grant to any such infringer, or to any other person, any license under said patent upon terms more favorable than those granted hereunder to this Licensee, then it will grant to this Licensee a license on the same terms.

14. The terms 'plasterboard' and 'gypsum wallboard' shall be understood to mean all board by whatever name called having the structural characteristics of plasterboard or gypsum wallboard, irrespective of the purpose for which the same may be sold or used.

15. This license and all of the covenants and agreements hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, but

nothing in this paragraph shall be construed to permit an assignment hereof by the Licensee except as hereinabove specifically provided.

IN WITNESS WHEREOF, the parties hereto have caused these presents to be signed by their respective Presidents, attested by their respective Secretaries, and their corporate seals to be hereunto affixed, in duplicate, the day and year first above written.

10983

UNITED STATES GYPSUM COMPANY,

By _____
Its President.

ATTEST:

Secretary.

THE BEAVER PRODUCTS COMPANY, INC.,

By _____
Its President.

ATTEST:

Secretary."

To said settlement agreement and said license agreement this defendant refers for the terms and conditions and legal effect thereof.

17. The allegations of paragraphs 16 to 36 inclusive of the bill of complaint herein contain the conclusions of the complainant as to the terms and provisions and legal effect of said settlement agreement and said license agreement. This defendant refers to and relies upon said agreements hereinabove set forth in *haec verba* for the terms, provisions and legal effect thereof.

18. It admits that upon the execution and delivery of said settlement agreement and said license agreement the defendant The Beaver Products Company, Inc., transferred, assigned and conveyed to the complainant all of the patents and applications for Letters Patent described in said Exhibit B, and paid to complainant on July 31, 1926, the sum of Two Hundred Fifty Thousand Dollars (\$250,000.) in cash, as alleged in paragraph 36, and that the said

The Beaver Products Company, Inc., commencing with the date of the said license agreement and ever since has continued the manufacture and sale of plaster board 10984 and gypsum wallboard at and from its said plants under the terms and conditions of said license agreement. It denies that under the terms and conditions of said license agreement and/or said settlement agreement the defendant The Beaver Products Company, Inc. became obligated to manufacture and sell any plaster board or gypsum wallboard, but alleges that the intent and effect of said agreements was to obligate the defendant The Beaver Products Company, Inc., to pay the royalties provided for in said license agreement for so long as the said The Beaver Products Company, Inc., manufactured and sold any plaster board and gypsum wallboard.

The defendant further answering says that the complainant has entered into license agreements with other manufacturers and dealers in plaster board and gypsum wallboard which provide for the same payment of royalties on all plaster board or gypsum wallboard manufactured or sold by such licensees as are provided in said license agreement with said The Beaver Products Company, Inc.; that such license agreements were made with certain other licensees where admittedly such licensees had not infringed such Letters Patent or applications therefor.

This defendant further answering says that no part of the royalty payments provided to be made by the defendant The Beaver Products Company, Inc., under the terms of said license agreement dated July 29, 1926, was in payment of any part of the claim made prior to said date by the complainant against said defendant, but that said royalty payments were to be made in consideration of the privilege granted in said license agreement to said defendant The Beaver Products Company, Inc., to manufacture and sell products embodying the inventions covered by the Letters Patent and applications for Letters Patent owned and controlled by said complainant; that said license agreement dated July 29, 1926, and the other 10985 license agreements made by said complainant with other licensees, provide that in case the complainant as licensor should grant to any other person any license under said Patents upon terms more favorable than those granted to such licensee or licensees, it, the said complainant, would grant to the licensee named in said license agreement a license on the same terms; that if any part

of the royalty payments provided to be made by the defendant The Beaver Products Company, Inc., under said license agreement dated July 29, 1926, is a payment for or on account of any amount claimed to be due to complainant prior to the execution thereof, then the royalty payments so far as they constitute payment for the privilege of manufacturing and selling plaster board and/or wallboard embodying the inventions covered by the Letters Patent and applications therefor owned and controlled by complainant, are more favorable than those granted to other licensees not claimed to have been infringers, under similar contracts; that this defendant is advised and therefore alleges the fact to be that the complainant has not reduced the rates of payment under said other license agreements to any of the licensees in such agreements.

19. It is without knowledge of the truth of the allegations of paragraph 37.

20. That subsequent to July 29, 1926, the complainant, United States Gypsum Company, and the defendants, Bestwall Mfg. Company, American Cement Plaster Company, The Beaver Board Companies and The Beaver Products Company, Inc., entered into a stipulation in said proceedings in this court, being Equity No. 779, which stipulation was filed in this court in said cause last mentioned and recited that said cause had been settled between the parties out of court, that plaintiff in said cause, being the complainant herein, waived its right to a writ of injunction and accounting and a reference to a master, that said plaintiff, being the complainant herein, had received satisfaction in full for all claims and demands against the defendants arising out of infringement of Patents Numbers 1,029,328 and 1,034,746, and that the clerk of the court enter of record a notation that the recovery awarded from Bestwall Mfg. Company, as sole defendant, in the decree entered in this court on August 11, 1919, and the recovery awarded from the said defendants in the decree entered August 17, 1925, had been satisfied in full, and that an accounting and the right to the issuance of a writ of injunction had been waived by said plaintiff, all pursuant to a settlement between the parties out of court: that the interlocutory decree entered August 11, 1919 and the interlocutory decree entered August 17, 1925, be made final decrees and that no further costs be charged to either party or parties. All of which will more fully and

at large appear from the original stipulation filed in said cause No. 779 in Equity in this court, and from a true and correct copy of said stipulation ready to be produced in court by this defendant upon the hearing hereof. That pursuant to the foregoing stipulation, on October 4, 1926, an order was entered in this court in accordance with the terms thereof, which order recited that the recovery awarded from Bestwall Mfg. Company in the said decree entered August 11, 1919, and the recovery from the defendants in the decree entered August 17, 1925, had been satisfied in full. All of which will more fully and at large appear from the records of this court in said cause, a true and correct copy of which is ready to be produced by this defendant upon the hearing hereof. That thereafter on to-wit: October 4, 1926, by stipulation between Bestwall Mfg. Company, American Cement Plaster Company, The Beaver Board Companies and The Beaver Products Company, Inc., as appellants, and the complainant herein, United States Gypsum Company, as appellee, in 10987 Case No. 3693 in the United States Circuit Court of appeals for the Seventh Circuit, being the appeal then pending from the decree of this court entered August 17, 1925, above mentioned, it was agreed that the said appeal be dismissed without further costs to either party, and thereafter, on the same date, by stipulation between the same parties in said case in said United States Circuit Court of Appeals for the Seventh Circuit, it was recited that the United States Gypsum Company, being the complainant herein and the plaintiff appellee in said cause in the said Circuit Court of Appeals, had received satisfaction in full for all claims and demands under the decree or decrees entered in this court against the above named appellants. That pursuant to said stipulation an order was entered in said cause in said United States Circuit Court of Appeals, reciting that the said appellee had received satisfaction in full for all claims and demands against the above named appellants under the decree entered in this court on August 17, 1925, and ordering that the certain bond in the sum of One Million Dollars (\$1,000,000.) executed on November 5, 1925, as a condition to the staying of the execution and operation of said decree, including the staying of the injunction ordered thereby, pending appeal, be canceled, and that the principals and sureties named in said bond be discharged and released from all liability thereunder; all of which will more fully and at large appear from the records of the said United States

Circuit Court of Appeals in said cause, a true and correct copy of which stipulation and order is ready to be produced by this defendant upon the hearing of this cause.

21. That the defendants, The Beaver Products Company, Inc., and The Beaver Board Companies, on or about January 16, 1928, entered into a contract (hereinafter called the "purchase contract") with this defendant, Certain-teed Products Corporation, for the transfer 10988 and sale by said defendants The Beaver Products Company, Inc., and the Beaver Board Companies to this defendant of all the properties and assets of said The Beaver Products Company, Inc., and of said The Beaver Board Companies other than the stock of The Beaver Products Company, Inc. It alleges that the consideration to be paid by this defendant for said properties is a sum in cash in excess of Twelve Million Dollars (\$12,000,000.), and denies that the consideration for said properties or any part thereof is the payment by this defendant of Fifty Dollars (\$50.), or Five Dollars (\$5.00), or any other amount, to the stockholders of the defendant The Beaver Board Companies, or any of them. It admits that unless restrained by order of this court this defendant will purchase from the defendants The Beaver Products Company, Inc., and The Beaver Board Companies the property and assets contracted by them to be sold and delivered by them to this defendant under the terms of the purchase contract, and alleges that it has a perfect right so to do. It denies that upon the consummation of said contract the defendants The Beaver Products Company, Inc., and The Beaver Board Companies will be without any assets whatsoever, but alleges that under the terms of said purchase contract provision is made for the satisfaction and discharge of all obligations of both of said companies. That said purchase contract provides "in consideration of the conveyance of all said properties and assets Certain-teed" (meaning Certain-teed Products Corporation) agrees among other things "(c) To assume all liabilities of the holding company" (meaning the defendant The Beaver Board Companies) "and the asset company" (meaning The Beaver Products Company, Inc.), other than the funded indebtedness of said companies, which under the terms of said purchase contract is to be paid. That this defendant, Certain-teed 10989 Products Corporation, is entirely solvent and able fully to perform its obligations in this behalf, as shown by its balance sheet of November 30, 1927, attached

hereto and marked Exhibit "A". It admits that upon the consummation of the purchase contract the defendant The Beaver Products Company, Inc., will not own any plaster board plants or mills in which to manufacture plaster board or gypsum wallboard, but it alleges that said defendant The Beaver Products Company, Inc., has no obligation to continue the manufacture and sale of plaster board and gypsum wallboard, and that said license agreement conferred upon the defendant The Beaver Products Company, Inc., the privilege of manufacturing and selling plaster board and/or gypsum wallboard embodying the inventions covered in the Letters Patent and applications for Letters Patent alleged to be owned and controlled by the complainant, and did not impose upon said defendant The Beaver Products Company, Inc., any duty or obligation to continue to manufacture and sell plaster board and/or gypsum wallboard, and that said settlement agreement and said license agreement dated July 29, 1926, did not impose any restrictions upon the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, as to transferring and selling their assets and property, and particularly did not impose any restrictions upon the performance and consummation of the purchase contract.

22. On information and belief it denies that the said defendant The Beaver Products Company, Inc., has, or has declared, any intention of repudiating its contract of July 29, 1926, and said license agreement of even date therewith, and refusing to perform the same, and alleges as above stated, that the said defendant The Beaver Products Company, Inc., is under no obligation to continue the manufacture of said plaster board or gypsum wallboard at its said plants or elsewhere. It denies that said 10990 defendant The Beaver Products Company, Inc., has ~~refused to pay to the complainant the consideration~~ agreed to be paid to it in satisfaction of complainant's claim for infringement. It alleges that such consideration was paid in full by the payment of Two Hundred Fifty Thousand Dollars (\$250,000.) in cash and the assignment to the complainant of said Letters Patent and applications for Letters Patent, and the execution of said license agreement, and denies that complainant has and will suffer any loss or irreparable injury or damage by reason of the performance and consummation by the defendants hereto of said purchase contract, as alleged in paragraph 39 or otherwise.

23. It denies on information and belief the allegations of paragraph 40 so far as they relate to the prediction by complainant that said defendant The Beaver Products Company, Inc., would, between the present time and February 10, 1937, manufacture and sell the number of feet of wallboard and plaster board therein mentioned, and that the defendant The Beaver Products Company, Inc., has, or ever had, contracts for the manufacture and sale of plaster board or gypsum wallboard extending to February 10, 1937. It alleges that the allegations of paragraph 40 are wholly immaterial to this cause for the reason, among others, that the said defendant The Beaver Products Company, Inc., is under no obligation to manufacture and sell wallboard and/or plaster board; it denies that the complainant would suffer any damage by reason of the discontinuance by said The Beaver Products Company, Inc., of the manufacture and sale of plaster board and/or wallboard, for the reason, among others, that the complainant is also engaged in the manufacture and sale of plaster board and wallboard, and if the defendant The Beaver Products Company, Inc., should discontinue the manufacture and sale of protected edge plaster 10991 board and wallboard under said license and withdraw from the field, the complainant or its other licensees would obtain a larger portion of said business. It alleges that any claim of the complainant against the said The Beaver Products Company, Inc., has been satisfied and discharged, and denies that the complainant is entitled to any accounting from these defendants or any of them or that the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, are indebted in any way, shape or manner to said complainant by reason of any matter or thing in said bill of complaint alleged. It denies that at the time of the execution of said settlement agreement the complainant had a claim for infringement against the defendants The Beaver Products Company, Inc., and The Beaver Board Companies, or either of them, amounting to Four Million Dollars (\$4,000,000.) or any other amount. It denies that the Patents and applications for Letters Patent assigned to the complainant under said agreement were worthless, but alleges that such Patents and applications for Letters Patent were of substantial value. It denies that there is due and owing to the complainant the sum of Four Million Dollars (\$4,000,000.) or any other sum. It denies that the complainant is entitled to an injunction against

this defendant restraining it from consummating the said purchase contract or from purchasing the properties and assets of the defendants The Beaver Products Company, Inc., and The Beaver Board Companies under said contract.

24. It denies that this defendant, Certain-teed Products Corporation, had knowledge of any infringement of the said patents of complainant by the said defendant The Beaver Products Company, Inc., or of the claim of complainant in the sum of Four Million Dollars (\$4,000,000.) resulting therefrom, as alleged in paragraph 41. It admits that this defendant had knowledge of the settlement agreement of July 29, 1926, and the said license agreement of even date therewith, but denies that this defendant had knowledge of any undertaking by the said defendant The Beaver Products Company, Inc., to continue the manufacture and sale of plaster board and gypsum wallboard until 1937 or until any other date, and denies that any such obligation exists or ever existed. It denies that the performance and consummation of said purchase contract will deprive the defendant The Beaver Products Company, Inc., of its ability to pay any debt which it owes. It denies that the transfer and sale of the assets and properties pursuant to said purchase contract will constitute a fraud upon the rights of complainant or will constitute a breach by said defendant The Beaver Products Company, Inc., of any agreement with the complainant and particularly of said settlement agreement and said license agreement dated July 29, 1926. It denies that any of the plants, properties and assets of The Beaver Products Company, Inc., should be subjected to the payment of any claim of the complainant by reason of any matter or thing in said bill of complaint set forth, and denies that this defendant, its officers, agents or attorneys, should be enjoined and restrained as alleged in paragraph 41 or otherwise.

25. It denies that the defendant The Beaver Products Company, Inc., is required to make any further payments of royalties under said license agreement unless it shall hereafter manufacture and sell plaster board and/or gypsum wallboard. It alleges that the stockholders and directors of the defendants The Beaver Products Company, Inc., and The Beaver Board Companies have the right to dissolve either or both of said companies upon making provision for the payment to complainant of royalties

under said license agreement payable on account of plaster board and/or gypsum wallboard manufactured and sold by them prior to such dissolution.

26. That this court should not grant any relief to the complainant since the complainant has a full, adequate and complete remedy at law for any breach of said settlement agreement or said license agreement by the defendant The Beaver Products Company, Inc., which right will not be affected by the sale of the properties of the defendant The Beaver Products Company, Inc., to this defendant, since, as hereinabove stated, this defendant has agreed to assume all liabilities of The Beaver Products Company, Inc., and is amply able so to do.

27. It alleges on information and belief that said license agreement between the complainant and the defendant The Beaver Products Company, Inc., and the similar license agreements made by the complainant with others, were entered into by the complainant, not for the purpose of securing to itself the royalties payable thereunder, but for the purpose of enabling the complainant to continue to dominate the gypsum wallboard and plaster board industry, to control the prices at which said products are sold, and to restrain trade, all in violation of the terms of the final decree entered January 3, 1923, by the District Court of the United States for the Southern District of New York in the cause entitled "United States of America, Petitioner, vs. Gypsum Industries Association et al., Defendants", to which the complainant and certain of its officers and directors were parties defendant, and of the Anti-Trust Laws of the United States, said purpose of the complainant being shown by the fact that said license agreements require the licensees thereunder to pay the royalties therein stipulated, not only on gypsum wallboard and plaster board alleged to be covered by the Utzman patents, but also on gypsum wallboard and plaster board of every kind manufactured and sold, whether patented or unpatented. This defendant is informed and believes that said requirements were made for the purpose of and with the intention of restraining trade by in effect preventing such licensees from manufacturing or selling "open-edge" wallboard not covered by said patents, and thus restricting or eliminating competition which would otherwise have arisen between such unpatented "open-edge" wallboard and the patented "protected edge" wallboard manufactured by complainant or

under its patents. This defendant further alleges that, for the reasons above stated, said license agreement is a contract in restraint of trade in violation of said final decree, and of the Anti-Trust Laws of the United States.

28. This defendant alleges that it has, for more than a year and a half, manufactured unpatented "open-edge" wallboard at its plant at Acme, Texas, and has built up a large and growing trade therein and that said "open-edge" wallboard is in active competition with the patented "protected edge" wallboard manufactured by the complainant and its licensees. This defendant further alleges on information and belief that, in order to maintain and perpetuate its monopoly, the complainant has instituted legal proceedings, under its alleged patent rights or otherwise, against substantially all its competitors in the plaster board business who were not willing to submit to the burdens of a license agreement, and that the primary purpose of complainant in instituting this suit is not to secure to itself the royalties specified in the license agreement but to prevent this defendant from increasing its manufacture and sale of "open-edge" wallboard and becoming an even stronger competitor of complainant in the wallboard business, thus threatening the complainant's long continued domination and substantial monopoly of that business. This defendant alleges that, in order to avoid litigation, it offered to accept a license from the complainant extending to August 6, 1929, the period of expiration of the so-called Utzman patents covering not only the plants of the defendant, The Beaver Products Company, Inc., but also all plants of this defendant Certain-teed Products Corporation, but the complainant refused to grant such license unless this defendant would accept a license extending to 1937. In a further attempt to avoid litigation, certain officers of this defendant thereupon inquired of certain officers of the complainant whether the complainant would be satisfied if this defendant assumed the license agreement as to the properties to be acquired by it from The Beaver Products Company, Inc., until 1937, and on the same terms, but were told that this would not be acceptable to complainant unless this defendant would also agree to pay like royalties on all wallboard, whether "open-edge" or "protected edge", manufactured by it at its present plant in Texas or elsewhere. Since it is reasonable to suppose that this defendant, having a large and growing business, will be in a position to manufacture at the plants now owned by

defendant The Beaver Products Company, Inc., and to sell, a larger amount of wallboard than has heretofore been manufactured and sold by The Beaver Products Company, Inc., thus increasing the royalties payable to the complainant, ~~it is obvious that the purpose of this suit~~ is not to collect the royalties to which the complainant claims it is entitled, but to enable the complainant to continue to dominate and monopolize the industry and to restrain competition by this defendant.

29. This defendant further alleges, on information and belief, that the complainant has unlawfully sought to dominate and monopolize the wallboard industry, in substantial restraint of trade, and in violation of said final decree entered June 3, 1923, and of the Anti-Trust Laws of the United States, not only by controlling prices under its license agreements or otherwise, but also by granting rebates to customers and by other unfair practices, in violation of the Federal Trade Commission Act of the United States, and has instituted this suit to enable it to continue and extend its unlawful domination and monopoly of said industry, and that, for the reasons aforesaid, complainant is not entitled to the relief prayed for by it, or any other relief.

10996 30. It denies each and every allegation of said bill of complaint not herein specifically admitted or denied.

31. It denies that the complainant is entitled to the relief herein prayed for, or any part thereof, and asks that the said bill be dismissed at complainant's costs.

CERTAIN-TEED PRODUCTS CORPORATION,
By CRAVATH HENDERSON & DEGERSDORF,
52 William Street, New York, N. Y.

WINSTON STRAUB & SHAW
38 S. Dearborn Street, Chicago, Ill.

RALPH M. SHAW AND WALTER H. JACOBS,
Its Solicitors.

CRAVATH HENDERSON & DEGERSDORF,
WINSTON STRAUB & SHAW
Solicitors for said Defendant.

5950

10997

EXHIBIT "A"

CERTAIN-TEED PRODUCTS CORPORATION
Balance Sheet
November 30, 1927.

ASSETS**Current Assets**

Cash,	\$ 977,565.40
Notes Receivable,	205,654.28
Accounts Receivable,	3,515,578.84
Salesmen's Advances and Sundry Employees' Accounts,	21,191.30
Inventories,	4,979,335.40

Total Current Assets, \$ 9,692,325.22

Other Assets

Expenses Paid in Advance,	\$ 183,568.13
Investments,	68,708.10

Fixed Assets

Land, Bldg. & Equipment,	\$14,396,995.60
Gypsum Deposits,	3,014,131.30
Water Power Rights,	653,804.35
Good Will, etc.	1.00

Total Assets, \$28,016,533.70

LIABILITIES**Current Liabilities**

Notes Payable,	\$ 300,000.00
Accounts Payable,	938,760.70
Accrued Taxes—Local and Federal,	110,170.65
Dividends Payable,	283,941.66

Total Current Liabilities, \$ 1,632,873.01

Reserves

Federal Taxes for 1927,	\$ 355,500.00
-------------------------	---------------

Capital Stock

First Preferred,	\$ 4,120,000.00
Second Preferred,	2,675,000.00
Common,	12,720,000.00
Capital Surplus,	2,739,190.10
Appropriated Surplus,	1,540,000.00
Earned Surplus,	2,233,970.59

Total Liabilities, \$28,016,533.70

10998

Government's Exhibit No. 325

UNITED STATES OF AMERICA,
 Northern District of Illinois,
 Eastern Division. } ss.

IN THE DISTRICT COURT OF THE UNITED STATES,
 FOR THE NORTHERN DISTRICT OF ILLINOIS,
 EASTERN DIVISION.

UNITED STATES GYPSUM COMPANY,
Complainant,

v.

THE BEAVER PRODUCTS COMPANY, INC.,
 THE BEAVER BOARD COMPANIES and
 CERTAIN-TEED PRODUCTS CORPORATION,
Defendants.

In Equity
 No. 7907

This cause came on to be heard upon the motion of the complainant herein for a temporary injunction, and the court having considered the same and having heard the arguments of counsel:

IT IS ORDERED that the defendant Certain-teed Products Corporation give bond in the penal sum of One Million Dollars (\$1,000,000.), with security to be approved by this court, conditioned to secure the payment of any final judgment, decree, damages, interests and costs rendered or to be rendered in this cause against any one or more of said defendants or in any cause which may be commenced within six months from the date of said bond for the same claim or claims set forth in this cause No. 7907, said bond also to provide that nothing therein shall release the said Certain-teed Products Corporation or any of said other defendants from liability for any final judgment, decree, costs, interests or damages which may be rendered against them or any of them in this cause or in any such other cause in excess of the penal sum of said bond.

10999 Said bond having been presented to the court by the defendant Certain-teed Products Corporation, the same is hereby approved and ordered filed with the Clerk of this court.

AND IT IS FURTHER ORDERED that the motion of complainant for a temporary injunction be and the same is hereby continued generally.

ENTER:

NAME ILLEGIBLE

Judge.

DATED 2nd APRIL, 1928.

5952

11001

Government's Exhibit No. 326

UNITED STATES OF AMERICA

Northern District of Illinois

Eastern Division

} SS.

IN THE DISTRICT COURT OF THE UNITED STATES
IN AND FOR SAID DISTRICT AND DIVISION

UNITED STATES GYPSUM COMPANY,
a corporation,

Complainant,

vs.

THE BEAVER PRODUCTS COMPANY, INC.,
THE BEAVER BOARD COMPANIES and
CERTAIN-TEED PRODUCTS CORPORATION,

Defendants.

} In Equity
No. 7907

IT IS HEREBY STIPULATED by and between the parties hereto, by their respective attorneys, as follows:

1. The said cause may be dismissed without prejudice and without costs to either party;
2. That certain bond given by Certain-teed Products Corporation, as principal, and George M. Brown and Elisha Walker, as sureties, pursuant to order of court entered herein on the 3rd day of April, 1928, be and the same hereby is released and discharged.

SCOTT BANCROFT MARTIN & MACLEISH
Solicitor for Complainant.

FILLAUSKI SHORRY & SCHUFF
*Solicitors for The Beaver Products Company,
Inc.*

FILLAUSKI SHORRY & SCHUFF
Solicitors for The Beaver Board Companies.

WINSTON STRAUB & SHAW
*Solicitors for Certain-teed Products
Corporation.*

11003

Government's Exhibit No. 327

IN THE DISTRICT COURT OF THE UNITED STATES
FOR THE NORTHERN DISTRICT OF ILLINOIS
EASTERN DIVISION

UNITED STATES GYPSUM COMPANY,
a corporation,
Complainant,

vs.

THE BEAVER PRODUCTS COMPANY, INC.,
THE BEAVER BOARD COMPANIES and
CERTAIN-TEED PRODUCTS CORPORATION,
Defendants.

In Equity
No. 7907

ORDER

Upon stipulation of the parties, IT IS ORDERED that the above entitled cause be, and the same hereby is, dismissed without costs to either party, that that certain bond for the sum of One Million Dollars (\$1,000,000.00) given by the Certain-teed Products Corporation, as principal, and George M. Brown and Elisha Walker, as sureties, pursuant to order of court entered in said cause on the 3rd day of April, 1928, be and the same is hereby released and discharged.

Dated May —, 1929.

ENTER:

JAMES T. UHelson
Judge.

5954

11005

Government's Exhibit No. 328

UNITED STATES GYPSUM COMPANY Twenty-fourth Annual Report Fiscal Year Ending December 31, 1925

11006 United States Gypsum Company of Illinois [formerly of New Jersey] Twenty-fourth Annual Report Fiscal Year Ending December 31, 1925

11007

February 10, 1926.

*To the Stockholders of the
United States Gypsum Company:*

Your Board of Directors submits the following report on the business of the United States Gypsum Company and its subsidiaries for the year ended December 31, 1925.

The net income for the year is \$8,414,116.88 after deducting federal taxes and depreciation. This net income, after providing for the 7% dividend on the preferred stock, is equal to an earning of \$15.45 per share on the Company's outstanding common stock.

Disposition of this net income has been made as follows: cash dividends, \$3,047,758.41; stock dividend (at par), \$1,322,169.00; added to surplus, \$4,044,189.47.

Expenditures for new plants, additions and improvements amount to \$4,241,298.07. While increases in capacities have resulted from these investments, the major purpose has been to attain that economy of production which an increasingly active competitive condition demands.

The continued growth of the Company's business has required an increase of \$2,161,680.09 in net working capital.

A liberal program of expenditures for the year 1926 has been authorized by your Board of Directors and is in action. Its purpose is very largely to reduce costs. Provision to finance these commitments has been made in part by setting aside funds in the government securities listed in the attached report.

For the past seven years the building industry has been engaged in making up a building shortage occasioned by conditions incident to the war. Capacities of production, transportation, distribution and erection have in varying degrees been inadequate to these demands during most of this

period. The nation's annual construction program 11008 has increased from \$3,142,000,000 in 1919 to an average of \$4,341,000,000 during the past seven years, with a maximum of \$6,500,000,000 in 1925. This peak demand of the year just closed has, however, been supplied promptly by manufacturers, transported quickly by railroads, distributed by dealers without delay and erected with speed by the trades. The capacity for construction in all its branches may safely be said to be equal to the present high demand and in several important branches to exceed such demand. Authorities best equipped to make such estimates are convinced that the building shortage generally has been made up and that the building industry will hereafter have to depend upon the normal growth of the country for its business. If these assumptions are correct, a continuation of the present rate of building is improbable and the capacities now supplying it and then in part unemployed will create a heightened competition, resulting in reduced prices and smaller profits. In the gypsum industry the conditions reflected in the above are conspicuous. Capacity has been steadily increased and during the year just passed has been in excess of demand. Competition in all important branches has been increasingly severe, and prices have continued to decline. Fortunately the steady business enjoyed by your Company throughout the year, together with the benefits of earlier investment, has permitted reductions in costs more than equal to the declines in price.

New products of proved excellence are being successfully introduced to the building trade and hold promise of great growth. Despite the disturbing fundamentals above referred to, it is certain that present demand for your Company's products is good and so much of the future as is disclosed by building contracts seems to assure a continuation of the present favorable condition for at least six months.

Respectfully submitted,

SEWELL L. AVERY
President

11009

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES
Consolidated Balance Sheet as of December 31, 1925

11010

5956

ASSETS

Property Account:

Plant \$22,520,159.46
Gypsum and Gypsite 5,727,500.25

Total Property Account **\$28,247,659.71**

Deduct: Reserve for Depreciation and Depletion 4,296,041.77

\$23,951,617.94

Treasury Holdings, Book Values:

Securities of Other Companies 16,710.00
Securities Deposited for Insurance Reserve 102,408.50

119,118.50

Inventory and Current Assets:

Products, Material and Supplies 3,319,318.56
Erection Contract Advances. 680,457.68

Accounts and Notes Receivable \$4,628,331.46

Deduct: Reserve for Doubtful

Accounts 146,224.93 4,482,106.53

Cash on Hand and in Banks. 899,270.20

U. S. Treasury Notes and Liberty Bonds 6,515,129.25

Total Inventory and Current Assets

15,896,282.22

Deferred Charges to Operations:

Expenses Applicable to Future Income..... **233,682.23**

LIABILITIES

Capital Stock:

Preferred 7% Cumulative

Authorized .. \$10,000,000.00

Issued 8,614,100.00

Deduct:

In Treasury 326,900.00

Outstanding **\$ 8,287,200.00**

Purchased but not issued.... 454,400.00

Common

Authorized .. \$15,000,000.00

Issued 11,288,600.00

Deduct:

In Treasury 1,150,300.00

Outstanding **10,138,300.00**

\$18,879,900.00

Current Liabilities:

Accounts Payable 1,183,038.52

Accrued Taxes, Interest, Etc. **1,697,991.93**

2,881,030.45

Reserves:

For Returnable Bags and Contingencies

1,654,799.12

Surplus

16,789,971.37

11011 UNITED STATES GYPSUM COMPANY
and Subsidiary Companies
Consolidated Surplus Account

	1925	1924
Net Earnings after deducting all expenses incident to operations, including repairs and maintenance of plants	\$10,474,302.09	\$ 8,825,696.65
Deductions:		
Depreciation and Depletion	848,007.59	670,590.37
Federal Taxes	1,212,177.62	988,725.43
Total Deductions	<u>\$ 2,060,185.21</u>	<u>\$ 1,659,315.80</u>
Net Income for the Year	\$ 8,414,116.88	\$ 7,166,380.85
Less Dividends Paid:		
Preferred	\$ 579,925.29	\$ 592,076.52
Common	3,790,002.12	4,292,515.07
Total Dividends	<u>\$ 4,369,927.41</u>	<u>\$ 4,884,591.59</u>
Surplus for the year	\$ 4,044,189.47	\$ 2,281,789.26
Surplus paid in on Capital Stock	150,101.12	1,301,344.03
Surplus, at beginning of year	<u>12,595,680.78</u>	<u>9,012,547.49</u>
Surplus, at end of year	\$16,789,971.37	\$12,595,680.78

5958

11012 The Audit Company of New York

Report on United States Gypsum Company and
Subsidiary Companies

Certificate for Publication

Sewell L. Avery, President,
United States Gypsum Company,
Chicago, Illinois.

Dear Sir:

We have audited the books and accounts of the United States Gypsum Company and its Subsidiary Companies at Chicago, Illinois, for the year ending December 31, 1925, and we certify that, in our opinion, the attached Consolidated Balance Sheet and Statement of Surplus Account are true exhibits of the condition of the Company as of December 31, 1925, and of the results of its operation for the period stated.

Very truly yours,

THE AUDIT COMPANY OF NEW YORK,

E. C. GOODMAN,
Western Manager.

Chicago,
February 9, 1926

11013

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES

11014

Consolidated Report

Assets:	1925	1924	1923	1922	1921	1920
Plant and Property.....	\$22,520,159.46	\$18,626,091.02	\$10,964,563.23	\$ 8,876,055.99	\$ 7,167,645.44	\$ 6,725,102.84
Gypsum and Gypsite	5,727,500.25	5,815,500.25	5,815,500.25	5,815,500.25	5,815,500.25	5,813,447.75
Treasury Holdings	119,113.50	127,087.42	14,850.00	9,256.70	15,650.00	5,349.00
Deferred Charges	238,682.28	162,341.95	131,852.82	149,166.85	105,519.60	103,931.02
Total	\$28,605,460.49	\$24,731,020.64	\$16,926,766.30	\$14,849,979.79	\$13,104,315.29	\$12,647,830.61
Current Assets:						
Cash on hand and in banks.....	\$ 899,270.20	\$ 1,277,287.04	\$ 477,570.57	\$ 367,921.49	\$ 382,959.40	\$ 299,854.10
Marketable Securities	6,515,129.25	4,551,928.95	3,513,926.42	1,018,666.83	508,304.14	1,242.89
Accounts and Notes Receivable....	4,628,331.46	3,895,913.60	3,197,713.81	2,523,375.20	1,503,405.31	1,598,708.44
Erection Contract Advances	680,457.68	445,414.60	687,754.76	456,607.69	151,816.33	430,030.71
Inventories	3,319,318.56	3,107,081.53	2,004,395.90	1,531,919.59	1,325,299.83	1,981,836.06
Total Current Assets	\$16,042,507.15	\$13,267,625.72	\$ 9,881,361.46	\$ 5,898,490.80	\$ 3,871,785.01	\$ 4,311,672.20
Total Assets	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76	\$20,748,470.59	\$16,976,100.30	\$16,959,502.81
Liabilities:						
Common Stock	\$10,138,300.00	\$ 8,786,960.00	\$ 5,911,680.00	\$ 4,431,040.00	\$ 4,172,140.00	\$ 3,948,693.84
Preferred Stock	8,741,600.00	9,932,900.00	6,920,300.00	6,013,900.00	5,968,500.00	5,964,810.00
5% Gold Notes: 5 years.....	None	None	None	None	None	1,000,000.00
Reserves	6,097,065.82	5,315,276.47	3,904,758.68	2,818,635.32	1,807,456.39	1,365,049.38
Surplus	16,789,971.37	12,595,689.78	9,012,547.49	5,615,795.15	3,535,302.07	2,624,714.87
Total	\$41,766,937.19	\$35,730,817.25	\$24,849,286.17	\$18,879,270.47	\$15,483,398.46	\$14,903,268.09
Current Liabilities:						
Notes Payable	None	None	None	None	\$ 38,500.00	\$ 460,000.00
Accounts Payable, Including Divi-						
dends	\$ 1,183,038.52	\$ 1,126,980.41	\$ 1,059,523.19	\$ 1,213,946.57	898,476.60	1,142,947.97
Taxes, Interest, Etc., Accrued	1,697,991.93	1,140,848.70	899,318.40	655,253.55	555,725.24	453,286.75
Total Current Liabilities ..	\$ 2,881,030.45	\$ 2,267,829.11	\$ 1,958,841.59	\$ 1,869,200.12	\$ 1,492,701.84	\$ 2,056,234.72
Total Liabilities	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76	\$20,748,470.59	\$16,976,100.30	\$16,959,502.81
Net Working Capital	\$13,161,476.70	\$10,999,796.61	\$ 7,922,519.87	\$ 4,029,290.68	\$ 2,379,083.17	\$ 2,255,437.48

5960

11015

UNITED STATES GYPSUM COMPANY

Directors

SEWELL L. AVERY, Chicago, Ill.

WALDO A. AVERY, Detroit, Mich.

R. G. BEAR, Chicago, Ill.

C. R. BIRDSEY, Chicago, Ill.

H. E. BROOKBY, Chicago, Ill.

A. E. ENGLISH, Omaha, Neb.

P. A. ENGLISH, Los Angeles, Cal.

JOHN W. FOWLER, Chicago, Ill.

C. F. HENNING, Chicago, Ill.

A. F. KING, New York, N. Y.

G. B. KING, New York, N. Y.

O. M. KNODE, Chicago, Ill.

E. L. MARSH, Sandusky, Ohio

JOHN E. MACLEISH, Chicago, Ill.

RALPH VAN VECHTEN, Chicago, Ill.

Officers

President.....SEWELL L. AVERY

Vice-President.....O. M. KNODE

Vice-President.....C. F. HENNING

Secretary-Treasurer.....R. G. BEAR

General Counsel

SCOTT, BANCROFT, MARTIN & MACLEISH

Transfer Agent

CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK,
Chicago, Ill.

Registrar of Transfers

THE NORTHERN TRUST Co., Chicago, Ill.

11016

UNITED STATES GYPSUM COMPANY

General Offices
205 West Monroe Street
CHICAGO, ILLINOIS

Branch Offices

New York
Buffalo
Boston
Washington
Philadelphia
Pittsburgh
Cleveland
Cincinnati
Baltimore

Detroit
Milwaukee
Minneapolis
St. Louis
Kansas City
Omaha
Denver
Los Angeles
Atlanta

San Francisco

Subsidiary Companies

Canadian Gypsum Company, Limited
United States Gypsum Company of Delaware
Samson Plaster Board Company
United States Gypsum Transportation Co.
Gypsum Packet Company, Limited
Wentworth Gypsum Company, Limited
Hillsborough Plaster Quarrying and
Manufacturing Company, Limited
Windsor Cement Company, Inc., of Connecticut
Windsor Cement Company of Massachusetts

5962

11017

Government's Exhibit No. 329

UNITED STATES GYPSUM COMPANY Twenty-fifth
Annual Report Fiscal Year Ending December 31,
1926

11018

United States Gypsum Company of Illinois [for-
merly of New Jersey] Twenty-fifth Annual Report
Fiscal Year Ending December 31, 1926

11019

February 9, 1927.

*To the Stockholders of the
United States Gypsum Company:*

Your Board of Directors submits the following report on
the business of the United States Gypsum Company and its
subsidiaries for the year ended December 31, 1926.

The net income for the year is \$8,375,747.43 after deduct-
ing federal taxes and depreciation. This net income, after
providing for the 7% dividend on the preferred stock, is
equal to an earning of \$11.35 per share on the Company's
outstanding Common stock:

Disposition of this net income has been made as follows:
cash dividends, \$3,115,885.22; stock dividend, \$3,567,767.00
(at par); added to surplus, \$1,692,095.21.

Expenditures for new plants, additions and improve-
ments amount to \$6,123,546.81. While increases in capacity
have resulted from these investments, the major purpose
this year, as last, has been to attain economy of production
and improvement of quality.

A somewhat smaller program of expenditures for 1927
has been authorized by the Board of Directors, and is pro-
gressing. These needed developments have the same pur-
pose of economy. Provision to finance these commitments
has been made by setting aside funds in the government
securities listed in the attached reports.

Competition has been increasingly active throughout the
year, and indications point to a continuation of this con-
dition. While the average price reduction approximates 4%

on the Company's sales generally considered, it is
11020 to be noted that the markets in many sections have
on some commodities met such reductions in price as
to seriously reduce profits. This development has been ex-
perienced in the face of an active building demand, and indi-

cates plainly a capacity in the industry in excess of such large demand. If the generally expected reduction in building proves a reality there seems little justification to expect any decrease of these competitive factors in the commodities affected.

Decrease in manufacturing cost has been more than equal to the decline in price. This is a gratifying justification of past plant expenditures, as the major part of this cost reduction is the direct result of recent plant investments.

An outstanding feature of the year's business has been the need of increased sales effort to maintain the position of our established products in the trade and to introduce and widen the use of our steadily growing newer commodities.

The physical condition of your Company's properties has never been so good. The producing and distributing organizations are excellent, and the outlook seems to justify the expectation of a satisfactory year.

Respectfully submitted,

SEWELL L. AVERY

President.



11021

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES
Consolidated Balance Sheet as of December 31, 1926

11022

5964

ASSETS		LIABILITIES	
Property Account:		Capital Stock:	
Plant	\$28,643,706.27	Preferred 7% Cumulative	
Gypsum and Gypsite	5,727,500.25	Authorized ..	\$10,000,000.00
Total Property Account	\$34,371,206.52	Issued	8,727,700.00
Deduct: Reserve for Depreciation and Depletion	5,038,772.75	Deduct:	
		In Treasury	626,900.00
Treasury Holdings, Book-Values:	\$29,332,433.77	Outstanding	\$ 8,100,800.00
Securities of Other Companies	25,600.00	Purchased but not issued....	340,800.00
Securities Deposited for Insurance Reserve	102,214.58		
	127,814.58	Common	
Inventory and Current Assets:		Authorized ..	\$15,000,000.00
Products, Material and Supplies	3,754,122.74	Issued	14,856,380.00
Erection Contract Advances.	838,053.60	Deduct:	
Accounts and Notes		In Treasury	1,098,880.00
Receivable \$4,567,001.45		Outstanding	13,757,500.00
Deduct: Reserve for Doubtful Accounts ...	118,224.02		\$22,199,100.00
	4,448,777.43	Current Liabilities:	
Cash on Hand and in Banks	1,123,703.51	Accounts Payable	1,210,554.53
U. S. Treasury Notes and Liberty Bonds	5,647,006.23	Accrued Taxes, Interest, Etc.	1,858,182.95
			3,068,737.48
Total Inventory and Current Assets	15,811,663.51	Reserves:	
Deferred Charges to Operations:		For Returnable Bags and Contingencies	1,663,048.97
Expenses Applicable to Future Income.....	463,956.21	Surplus	13,804,981.62
	\$45,735,868.07		\$45,735,868.07



11023

**UNITED STATES GYPSUM COMPANY
and Subsidiary Companies
Consolidated Surplus Account**

	1926	1925
Net Earnings after deducting all expenses incident to operations, including repairs and maintenance of plants	\$10,763,219.02	\$10,474,302.09
Deductions:		
Depreciation and Depletion	1,063,379.57	848,007.59
Federal Taxes	1,324,092.02	1,212,177.62
Total Deductions	\$ 2,387,471.59	\$ 2,060,185.21
Net Income for the Year	\$ 8,375,747.43	\$ 8,414,116.88
Less Dividends Paid:		
Preferred	\$ 567,563.42	\$ 579,925.29
Common	6,116,088.80	3,790,002.12
Total Dividends	\$ 6,683,652.22	\$ 4,369,927.41
Surplus for the year	\$ 1,692,095.21	\$ 4,044,189.47
Surplus paid in on Capital Stock	322,915.04	150,101.12
Surplus, at beginning of year	16,789,971.37	12,595,680.78
Surplus, at end of year	\$18,804,981.62	\$16,789,971.37

5966

11024

The Audit Company of New York.
Report on United States Gypsum Company and
Subsidiary Companies

Certificate for Publication

Sewell L. Avery, President,
United States Gypsum Company,
Chicago, Illinois.

Dear Sir:

We have audited the books and accounts of the United States Gypsum Company and of its Subsidiary Companies at Chicago, Illinois, for the year ending December 31, 1926, and we certify that, in our opinion, the attached Consolidated Balance Sheet and Statement of Surplus Account are true exhibits of the condition of the Company as of December 31, 1926, and of the results of its operation for the period stated.

Very truly yours,

THE AUDIT COMPANY OF NEW YORK,

E. C. GOODMAN,
Western Manager.

Chicago,
February 9, 1927

11025

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES
Consolidated Report

11026

Assets:	1926	1925	1924	1923	1922	1921
Plant and Property	\$28,643,706.27	\$22,520,159.46	\$18,626,091.02	\$10,964,563.23	\$ 8,876,055.99	\$ 7,167,645.44
Gypsum and Gypsite	5,727,500.25	5,727,500.25	5,815,500.25	5,815,500.25	5,815,500.25	5,815,500.25
Treasury Holdings	127,814.58	119,118.50	127,087.42	14,850.00	9,256.70	15,650.00
Deferred Charges	463,956.21	238,682.28	162,341.95	131,852.82	149,166.85	105,519.60
Total	\$34,962,977.31	\$28,605,460.49	\$24,731,020.64	\$16,926,766.30	\$14,849,979.79	\$13,104,315.29
Current Assets:						
Cash on hand and in banks	\$ 1,123,703.51	\$ 899,270.20	\$ 1,277,287.04	\$ 477,570.57	\$ 367,921.49	\$ 382,959.40
Marketable Securities	5,647,006.23	6,515,129.25	4,551,928.95	3,513,926.42	1,018,666.83	508,304.14
Accounts and Notes Receivable ...	4,567,001.45	4,628,331.46	3,885,913.60	3,197,713.81	2,523,375.20	1,503,405.31
Erection Contract Advances	838,053.60	680,457.68	445,414.60	687,754.76	456,607.69	151,816.33
Inventories	3,754,122.74	3,319,318.56	3,107,081.53	2,004,395.90	1,531,919.59	1,325,299.83
Total Current Assets	\$15,929,887.53	\$16,042,507.15	\$13,267,625.72	\$ 9,881,361.46	\$ 5,898,490.80	\$ 3,871,785.01
Total Assets	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76	\$20,748,470.59	\$16,976,100.30
Liabilities:						
Common Stock	\$13,757,500.00	\$10,138,300.00	\$ 8,786,900.00	\$ 5,911,680.00	\$ 4,431,040.00	\$ 4,172,140.00
Preferred Stock	8,441,600.00	8,741,600.00	9,032,900.00	6,020,300.00	6,013,800.00	5,968,300.00
Reserves	6,820,045.74	6,097,065.82	5,315,276.47	3,904,758.68	2,818,635.32	1,807,456.39
Surplus	18,804,981.62	16,789,971.37	12,595,680.78	9,012,547.49	5,615,795.15	3,535,302.07
Total	\$47,824,127.36	\$41,766,937.19	\$35,730,817.25	\$24,849,286.17	\$18,879,270.47	\$15,483,398.46
Current Liabilities:						
Accounts Payable, Including Divi- dends	\$ 1,210,554.53	\$ 1,183,038.52	\$ 1,126,980.41	\$ 1,059,523.19	\$ 1,213,946.57	\$ 936,976.60
Taxes, Interest, Etc., Accrued	1,858,182.95	1,697,991.93	1,140,848.70	899,318.40	655,253.55	555,725.24
Total Current Liabilities ..	\$ 3,068,737.48	\$ 2,881,030.45	\$ 2,267,829.11	\$ 1,958,841.59	\$ 1,869,200.12	\$ 1,492,701.84
Total Liabilities	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76	\$20,748,470.59	\$16,976,100.30
Net Working Capital	\$12,861,150.05	\$13,161,476.70	\$10,999,796.61	\$ 7,922,519.67	\$ 4,029,290.68	\$ 2,379,083.17

5967

5968

11027

UNITED STATES GYPSUM COMPANY

Directors

SEWELL L. AVERY, Chicago, Ill.
WALDO A. AVERY, Detroit, Mich.
R. G. BEAR, Chicago, Ill.
C. R. BIRDSEY, Chicago, Ill.
H. E. BROOKBY, Chicago, Ill.
A. E. ENGLISH, Omaha, Neb.
P. A. ENGLISH, Los Angeles, Cal.
JOHN W. FOWLER, Chicago, Ill.
C. F. HENNING, Chicago, Ill.
A. F. KING, New York, N. Y.
G. R. KING, New York, N. Y.
O. M. KNODE, Chicago, Ill.
E. L. MARSH, Sandusky, Ohio
JOHN E. MACLEISH, Chicago, Ill.
RALPH VAN VECHTEN, Chicago, Ill.

Officers

President.....SEWELL L. AVERY
Vice-President.....O. M. KNODE
Vice-President.....C. F. HENNING
Secretary-Treasurer.....R. G. BEAR

General Counsel

SCOTT, BANCROFT, MARTIN & MACLEISH

Transfer Agent

CONTINENTAL AND COMMERCIAL TRUST AND SAVINGS BANK,
Chicago, Ill.

Registrar of Transfers

THE NORTHERN TRUST Co., Chicago, Ill.

11028

UNITED STATES GYPSUM COMPANY

General Offices
205 West Monroe Street
CHICAGO, ILLINOIS

Branch Offices

New York
Buffalo
Boston
Washington
Philadelphia
Pittsburgh
Cleveland
Cincinnati
Baltimore

Detroit
Milwaukee
Minneapolis
St. Louis
Kansas City
Omaha
Denver
Los Angeles
Atlanta

San Francisco**Subsidiary Companies****Canadian Gypsum Company, Limited****United States Gypsum Company of Delaware****United States Gypsum Company of Maryland****Samson Plaster Board Company****United States Gypsum Transportation Co.****Gypsum Packet Company, Limited****Windsor Cement Company, Inc., of Connecticut****Windsor Cement Company of Massachusetts**

5970

11029

Government's Exhibit No. 330

UNITED STATES GYPSUM COMPANY Twenty-sixth
Annual Report Fiscal Year Ending December 31,
1927

11030

United States Gypsum Company of Illinois [for-
merly of New Jersey] Twenty-sixth Annual Report
Fiscal Year Ending December 31, 1927

11031

February 8, 1928.

*To the Stockholders of the
United States Gypsum Company:*

Your Board of Directors submits the following report on
the business of the United States Gypsum Company and its
subsidiaries for the year ended December 31, 1927.

The net income for the year is \$7,538,507.84, after deduct-
ing federal taxes and depreciation. This net income, after
providing for the 7% dividend on the preferred stock, is
equal to \$10.10 per share on the Company's outstanding
common stock.

Disposition of this net income has been made as follows:
cash dividends, \$2,348,096.46; added to surplus, \$5,190,-
411.38.

Expenditures for new plants, additions and improve-
ments amount to \$5,598,555.73. These investments have
brought into satisfactory operation an economic producing
capacity, advantageously located, that has demonstrated
its value during the latter part of the past year. It marks
the near completion of a general plan designed to this end
and undertaken three years ago. While the growth of the
Company's business and the changed market conditions will
continually require plant investment, the needs for the
ensuing year are expected to be greatly reduced.

Competition has been increasingly severe throughout the
year. The moderate decline in building has been most pro-
nounced in those branches of the industry which our prod-
ucts serve. Additional competitive capacity has rendered
these severe market conditions still more difficult, and in con-
sequence prices have declined. In many sections they have
reached so low a level on important commodities as to pre-
clude a satisfactory profit. As this development has been

11032 gradual and due to the excess of capacity over demand, the year's report herewith submitted reflects the average of the twelve months just passed, rather than the lower rate of earnings which must prevail if present conditions continue. . .

Our newer commodities are rapidly growing in general use, and are increasingly contributing to the Company's profit. Our properties and morale are on a uniformly high level, and cost reductions through our recent large investments are definitely assured. The outlook for tonnage for the first half of the year seems promising, and while a decline in profits is anticipated it seems safe to expect a reasonably satisfactory earning for 1928.

Respectfully submitted,

SEWELL L. AVERY
President.

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES
Consolidated Balance Sheet as of December 31, 1927

ASSETS		LIABILITIES	
Property Account:		Capital Stock:	
Plant	\$34,242,262.00	Preferred 7% Cumulative	
Gypsum and Gypsite	5,727,500.25	Authorized	\$10,000,000.00
Total Property Account	\$39,969,762.25	Issued	8,727,700.00
Deduct: Reserve for Depreciation and Depletion	5,961,156.27	Deduct: In	
		Treasury	\$13,300.00
		Outstanding	\$ 7,914,400.00
		Purchased but not issued	227,200.00
Treasury Holdings, Book Values:		Common	
Securities of Other Companies	58,012.00	Authorized	\$25,000,000.00
Securities Deposited for Insurance Reserve	102,020.66	Issued	14,856,380.00
		Deduct: In	
		Treasury	1,032,420.00
		Outstanding	13,823,960.00
Inventory and Current Assets:			\$21,965,560.00
Products, Material and Supplies	3,431,907.45		
Erection Contract Advances	498,544.91		
Accounts and Notes			
Receivable .	\$4,423,100.65		
Deduct: Reserve for Doubtful Accounts	164,120.35		
	4,258,980.30		
Cash on Hand and in Banks..	1,333,346.10		
U. S. Treasury Notes and Liberty Bonds	6,100,350.37		
Total Inventory and Current Assets	15,623,129.13		
		Current Liabilities:	
Deferred Charges to Operations:		Accounts Payable	924,426.23
Expenses Applicable to Future Income.....	639,366.51	Accrued Taxes, Interest, Etc.	1,714,815.39
	\$50,431,134.28		2,639,241.62
		Reserves:	
		For Returnable Bags and Contingencies	1,593,113.63
		Surplus	24,233,219.03
			\$50,431,134.28

at the time of the ...
... to the ...
... ..

... ..
... ..
... ..

... ..
... ..
... ..
... ..
... ..

... ..
... ..
... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

... ..
... ..
... ..

11035

UNITED STATES GYPSUM COMPANY and Subsidiary Companies

Consolidated Surplus Account

	1927	1926
Net Earnings after deducting all expenses incident to operations, including repairs and maintenance of plants	\$ 9,961,465.79	\$10,763,219.02
Deductions:		
Depreciation and Depletion	1,307,997.57	1,063,379.57
Federal Taxes	1,114,960.38	1,324,092.02
Total Deductions	<u>\$ 2,422,957.95</u>	<u>\$ 2,387,471.59</u>
Net Income for the Year	\$ 7,538,507.84	\$ 8,375,747.43
Less Dividends Paid:		
Preferred	\$ 554,551.66	\$ 567,563.42
Common	1,793,544.80	6,116,088.80
Total Dividends	<u>\$ 2,348,096.46</u>	<u>\$ 6,683,652.22</u>
Surplus for the year	\$ 5,190,411.38	\$ 1,692,095.21
Surplus paid in on Capital Stock	237,826.03	322,915.04
Surplus, at beginning of year	<u>18,804,981.62</u>	<u>16,789,971.37</u>
Surplus, at end of year	\$24,233,219.03	\$18,804,981.62

5974

11036

The Audit Company of New York

**Report on United States Gypsum Company
and Subsidiary Companies**

Certificate for Publication

**Sewell L. Avery, President,
United States Gypsum Company,
Chicago, Illinois.**

Dear Sir:

We have audited the books and accounts of the United States Gypsum Company and its Subsidiary Companies at Chicago, Illinois, for the year ending December 31, 1927, and we certify that, in our opinion, the attached Consolidated Balance Sheet and Statement of Surplus Account are true exhibits of the condition of the Company as of December 31, 1927, and of the results of its operation for the period stated.

Very truly yours,

THE AUDIT COMPANY OF NEW YORK,

**E. C. GOODMAN,
Western Manager.**

**Chicago,
February 8, 1928**

11/15/1914

On or about November 15th an
Army of 1000 men was sent
to the front of the
2nd 38000 of the 1st

of the 1st 38000 of the 1st

of the 1st 38000 of the 1st

of the 1st 38000 of the 1st

11037

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES
Consolidated Report

11038

Assets:	1927	1926	1925	1924	1923	1922
Plant and Property	\$34,242,262.00	\$28,643,706.27	\$22,520,159.46	\$18,626,091.02	\$10,964,563.23	\$ 8,876,055.99
Gypsum and Gypsite	5,727,500.25	5,727,500.25	5,727,500.25	5,815,500.25	5,815,500.25	5,815,500.25
Treasury Holdings	160,032.66	127,814.58	119,118.50	127,087.42	14,850.00	9,258.70
Deferred Charges	639,366.51	463,956.21	238,682.28	162,341.95	131,852.82	149,166.85
Total	\$40,769,161.42	\$34,962,977.31	\$28,605,460.49	\$24,731,020.64	\$16,926,766.30	\$14,849,979.79
Current Assets:						
Cash on hand and in banks	\$ 1,333,346.10	\$ 1,123,703.51	\$ 899,270.20	\$ 1,277,287.04	\$ 477,570.57	\$ 367,921.49
Marketable Securities	6,100,350.37	5,647,006.23	6,515,129.25	4,551,928.95	3,513,926.42	1,018,666.83
Accounts and Notes Receivable ...	4,423,100.65	4,567,001.45	4,628,331.46	3,885,913.60	3,197,713.81	2,523,375.20
Erection Contract Advances	498,544.91	838,053.60	680,457.68	445,414.60	687,754.76	456,607.69
Inventories	3,431,907.45	3,754,122.74	3,319,318.56	3,107,081.53	2,004,395.90	1,531,919.59
Total Current Assets	\$15,787,249.48	\$15,929,887.53	\$16,042,507.15	\$13,267,625.72	\$ 9,881,361.46	\$ 5,898,490.80
Total Assets	\$56,556,410.90	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76	\$20,748,470.59
Liabilities:						
Common Stock	\$13,823,960.00	\$13,757,500.00	\$10,138,300.00	\$ 8,786,960.00	\$ 5,911,680.00	\$ 4,431,040.00
Preferred Stock	8,141,600.00	8,441,600.00	8,741,600.00	9,032,900.00	6,020,300.00	6,013,800.00
Reserves	797,183,90.25	6,820,045.74	6,097,065.82	5,315,276.47	3,904,758.68	2,818,635.32
Surplus	24,233,219.03	18,804,981.62	16,789,971.37	12,595,680.78	9,012,547.49	5,615,795.15
Total	\$53,917,169.28	\$47,824,127.26	\$41,766,937.19	\$35,730,817.25	\$24,849,286.17	\$18,879,270.47
Current Liabilities:						
Accounts Payable, Including						
Dividends	\$ 924,426.23	\$ 1,210,554.53	\$ 1,183,038.52	\$ 1,126,980.41	\$ 1,059,523.19	\$ 1,213,946.57
Taxes, Interest, Etc., Accrued	1,714,815.39	1,858,182.95	1,697,991.93	1,140,848.70	899,318.40	655,253.55
Total Current Liabilities	\$ 2,639,241.62	\$ 3,068,737.48	\$ 2,881,030.45	\$ 2,267,829.11	\$ 1,958,841.59	\$ 1,869,200.12
Total Liabilities	\$56,556,410.90	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76	\$20,748,470.59
Net Working Capital	\$13,148,007.86	\$12,861,150.05	\$13,161,476.70	\$10,999,796.61	\$ 7,922,519.87	\$ 4,029,290.68

5976

11039

UNITED STATES GYPSUM COMPANY

Directors

SEWELL L. AVERY, Chicago, Ill.
WALDO A. AVERY, Detroit, Mich.
R. G. BEAR, Chicago, Ill.
C. R. BIRDSEY, Chicago, Ill.
H. E. BROOKBY, Chicago, Ill.
A. E. ENGLISH, Omaha, Neb.
P. A. ENGLISH, Los Angeles, Cal.
JOHN W. FOWLER, Chicago, Ill.
C. F. HENNING, Chicago, Ill.
A. F. KING, New York, N. Y.
G. R. KING, New York, N. Y.
O. M. KNODE, Chicago, Ill.
E. L. MARSH, Sandusky, Ohio
JOHN E. MACLEISH, Chicago, Ill.
MELVIN A. TRAYLOR, Chicago, Ill.

Officers

President.....SEWELL L. AVERY
Vice-President.....O. M. KNODE
Vice-President.....C. F. HENNING
Secretary-Treasurer.....R. G. BEAR

General Counsel

SCOTT, BANCROFT, MARTIN & MACLEISH

Transfer Agent

CONTINENTAL NATIONAL BANK AND TRUST Co., Chicago, Ill.

Registrar of Transfers

THE NORTHERN TRUST Co., Chicago, Ill.

11040

UNITED STATES GYPSUM COMPANY

General Offices
300 West Adams Street
CHICAGO, ILLINOIS

Branch Offices

New York	Detroit
Buffalo	Milwaukee
Boston	Minneapolis
Washington	St. Louis
Philadelphia	Kansas City
Pittsburgh	Omaha
Cleveland	Denver
Cincinnati	Los Angeles
Baltimore	Atlanta

San Francisco**Subsidiary Companies**

Canadian Gypsum Company, Limited
United States Gypsum Company of Delaware
United States Gypsum Company of Maryland
Samson Plaster Board Company
United States Gypsum Transportation Co.
Gypsum Packet Company, Limited

5978

11041

Government's Exhibit No. 331

UNITED STATES GYPSUM COMPANY Twenty-seventh Annual Report Fiscal Year Ending December 31, 1928

11042 United States Gypsum Company of Illinois [formerly of New Jersey] Twenty-seventh Annual Report Fiscal Year Ending December 31, 1928

11043

February 13, 1929.

*To the Stockholders of the
United States Gypsum Company:*

Your Board of Directors submits the following report on the business of the United States Gypsum Company and its subsidiaries for the year ended December 31, 1928.

The net income for the year is \$6,301,635.16, after deducting federal taxes and depreciation. This net income, after providing for the 7% dividend on the preferred stock, is equal to \$7.22 per share on the Company's outstanding common stock.

Disposition of this net income has been made as follows: cash dividends, \$1,703,201.34; stock dividends, \$1,383,004.00; added to surplus, \$2,960,054.67.

Expenditures for new plants, additions and improvements amount to \$6,137,592.27. Included in the above are mills in Montana and Wyoming acquired to better serve these markets, and the investment in new plants now in the course of construction at Boston, Philadelphia, Detroit, Alabaster and Chicago.

Competitive conditions have been of a severity unknown in the industry for many years. Starting early in the spring and continuing without abatement throughout the year, price declines have been such as to severely assail all commodities in all sections. In important sales divisions and on major commodities the common struggle to retain establishment has led manufacturers to sell frequently at prices lower than cost. Our Company has faced this condition with reluctance and met the conditions with restraint. As
11044 this development has been gradual the year's report herewith submitted reflects again the average of the

past twelve months, rather than the lower rate of earnings which must prevail if present conditions continue..

Our recently introduced commodities and the newer products now being offered continue increasingly to contribute to the Company's earnings. The profit showing made under such adverse conditions confirms the wisdom of the Company's investment program of the past and gives confidence in the economic security of the development now under way.

Respectfully submitted,

SEWELL L. AVERY,
President.

ASSETS

Current Assets:

Cash and cash resources—		
Bank balances and working funds	\$1,491,516.49	
U. S. Government securities, including accrued interest—		
at cost	7,497,095.55	\$ 8,988,612.04

Receivables—

Accounts and notes	\$3,756,719.06	
Construction contracts	749,168.68	

\$4,505,887.74

Less—Reserves for bad debts	302,749.82	4,203,137.92
-----------------------------------	------------	--------------

Inventories of finished goods, raw materials, supplies, etc., as taken by the company, priced at cost which is not in excess of market	3,084,988.03	\$16,276,737.99
--	--------------	-----------------

Stock Subscriptions Receivable, Investments, Etc.:

Installments receivable for stock subscribed on warrants, etc.	\$ 6,411,394.86	
Bonds on deposit for insurance reserve, including interest—at cost	101,826.74	
Miscellaneous stock and bonds—at book value	94,871.00	6,608,092.60

Plant and Equipment,—at Book Value:

Land, gypsum, buildings, machinery, steamers, etc.	\$46,022,197.51	
Less—Reserves for depreciation and depletion	7,530,495.06	38,491,702.45

Deferred Charges:

Stripping costs, amortizable patent expenditures and prepaid expenses	750,571.11	
	<u>\$62,127,104.15</u>	

Sheet of December 31, 1928

LIABILITIES

Current Liabilities:

Accounts payable	\$ 1,139,715.56	
Accrued liabilities—		
Payrolls, local taxes, etc.	\$ 1,040,839.13	
Federal income taxes	776,604.85	1,817,443.98
		\$ 2,957,159.54

Reserves:

Contingencies	\$ 912,801.13	
Accident insurance, guarantees, etc.	411,349.78	1,324,150.91

Capital Stock and Surplus:

Capital stock—

7% cumulative preferred—

\$100 par value—

Authorized—

100,000 shares

Outstanding—

77,281 shares \$ 7,728,100.00

Paid for but unissued—

1,136 shares 113,600.00

Common—\$20 par value—

Authorized—

1,250,000 shares

Outstanding—

760,436 shares 15,208,720.00

Subscribed on warrants

issued to stockholders

on July 14, 1928—

380,105 shares 7,602,100.00

Surplus	27,193,273.70	57,845,793.70
---------------	---------------	---------------

\$62,127,104.15

11047

UNITED STATES GYPSUM COMPANY
and Subsidiary Companies

Summary of Consolidated Surplus Account
For the Years 1927 and 1928

	1928	1927
Net Profits before deducting depreciation, depletion and Federal income taxes	\$ 8,325,322.06	\$ 9,961,465.79
Deduct Provisions for:		
Depreciation and depletion	\$ 1,517,082.05	\$ 1,307,997.57
Federal income taxes	776,604.85	1,114,960.38
Total	\$ 2,293,686.90	\$ 2,422,957.95
Surplus Net Profits for Year	\$ 6,031,635.16	\$ 7,538,507.84
Surplus resulting from issuance of Capital Stock	14,624.85	237,826.03
Gross Increase in Surplus during year	\$ 6,046,260.01	\$ 7,776,333.87
Deduct Distributions to Stockholders:		
Cash dividends on preferred stock	\$ 541,502.94	\$ 554,551.66
Cash dividends on common stock	1,161,698.40	1,793,544.80
Stock dividends on common stock	1,383,004.00	—
Total	\$ 3,086,205.34	\$ 2,348,096.46
Net Increase in Surplus during year	\$ 2,960,054.67	\$ 5,428,237.41
Surplus at beginning of year	24,233,219.03	18,804,981.62
Surplus at end of year	\$27,193,273.70	\$24,233,219.03

5982

11048

ARTHUR ANDERSEN & Co.
Certified Public Accountants

**Report on United States Gypsum Company
and Subsidiary Companies**

Certificate for Publication

**Sewell L. Avery, President,
United States Gypsum Company,
Chicago, Illinois.**

Dear Sir:

We have examined the accounts of the United States Gypsum Company and its Subsidiary Companies for the year ended December 31, 1928. Accepting the balances of plant, equipment and surplus accounts of December 31, 1927, as previously certified to by the Audit Company of New York, we certify that, in our opinion, the accompanying balance sheet and summary of surplus account correctly present the consolidated financial position of the companies at December 31, 1928, and the consolidated surplus net profits for the year ended that date.

Very truly yours,

ARTHUR ANDERSEN & Co.

**Chicago,
February 11, 1929.**

11049

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES
Comparative Consolidated Balance Sheets

11050

ASSETS						
Current Assets:	1928	1927	1926	1925	1924	1923
Cash on hand and in banks	\$ 1,491,516.49	\$ 1,333,346.10	\$ 1,123,703.51	\$ 899,270.20	\$ 1,277,287.04	\$ 477,570.57
U. S. Government Securities	7,497,095.55	6,100,350.37	5,647,006.23	6,515,129.25	4,551,928.95	3,513,926.42
Accounts and notes receivable	3,756,719.06	4,423,100.65	4,567,001.45	4,628,331.46	3,885,913.60	3,197,713.81
Construction contracts receivable ..	749,168.68	498,544.91	838,053.60	680,457.68	445,414.60	687,754.76
Inventories	3,084,988.03	3,431,907.45	3,754,122.74	3,319,318.56	3,107,081.53	2,004,395.90
Total	\$16,579,487.81	\$15,787,249.48	\$15,929,887.53	\$16,042,507.15	\$13,267,625.72	\$ 9,881,361.46
Stock Subscriptions Receivable, Investments, Etc.:						
Stock subscriptions	\$ 6,411,394.86	\$ —	\$ —	\$ —	\$ —	\$ —
Bonds and other securities	196,697.74	160,032.66	127,814.58	119,118.50	127,087.42	14,850.00
Total	\$ 6,608,092.60	\$ 160,032.66	\$ 127,814.58	\$ 119,118.50	\$ 127,087.42	\$ 14,850.00
Plant and Equipment	\$46,022,197.51	\$39,969,762.25	\$34,371,206.52	\$28,247,659.71	\$24,441,591.27	\$16,780,063.48
Deferred Charges	\$ 750,571.11	\$ 639,366.51	\$ 463,956.21	\$ 238,682.28	\$ 162,341.95	\$ 131,852.82
Total Assets	\$69,960,349.03	\$56,556,410.90	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76
LIABILITIES						
Current Liabilities:						
Accounts Payable	\$ 1,139,715.56	\$ 924,426.23	\$ 1,210,554.53	\$ 1,183,038.52	\$ 1,126,980.41	\$ 1,059,523.19
Accrued Liabilities	1,817,443.98	1,714,815.36	1,858,182.93	1,697,991.93	1,140,848.70	899,318.40
Total	\$ 2,957,159.54	\$ 2,639,241.62	\$ 3,068,737.48	\$ 2,881,030.45	\$ 2,267,829.11	\$ 1,958,841.59
Reserves	\$ 9,157,395.79	\$ 7,718,390.25	\$ 6,820,045.74	\$ 6,097,065.82	\$ 5,315,276.47	\$ 3,904,758.68
Capital Stock and Surplus:						
Preferred stock	\$ 7,841,700.00	\$ 8,141,000.00	\$ 8,441,600.00	\$ 8,741,600.00	\$ 9,032,900.00	\$ 8,020,300.00
Common stock outstanding	15,208,720.00	13,823,960.00	13,757,500.00	10,138,300.00	8,786,960.00	5,911,680.00
Common stock subscribed	7,602,100.00	—	—	—	—	—
Surplus	27,193,273.70	24,233,219.03	18,804,981.62	16,789,971.37	12,595,680.78	9,012,547.49
Net Worth	\$57,845,793.70	\$46,198,779.03	\$41,004,081.62	\$35,669,871.37	\$30,415,540.78	\$20,944,527.49
Total Liabilities	\$69,960,349.03	\$56,556,410.90	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36	\$26,808,127.76
Net Working Capital	\$13,622,328.27	\$13,148,007.86	\$12,861,150.05	\$13,161,476.70	\$10,999,796.61	\$ 7,922,519.87

11051 UNITED STATES GYPSUM COMPANY

Directors

SEWELL L. AVERY, Chicago, Ill.
 WALDO A. AVERY, Detroit, Mich.
 R. G. BEAR, Chicago, Ill.
 C. R. BIRDSEY, Chicago, Ill.
 A. E. ENGLISH, Los Angeles, Calif.
 P. A. ENGLISH, Los Angeles, Calif.
 JOHN W. FOWLER, Chicago, Ill.
 C. F. HENNING, Chicago, Ill.
 C. W. HIGLEY, Chicago, Ill.
 A. F. KING, New York, N. Y.
 G. R. KING, New York, N. Y.
 O. M. KNODE, Chicago, Ill.
 JOHN E. MACLEISH, Chicago, Ill.
 E. L. MARSH, Black Hall, Conn.
 MELVIN A. TRAYLOR, Chicago, Ill.

Officers

President.....SEWELL L. AVERY
 Vice-President.....O. M. KNODE
 Vice-President.....C. F. HENNING
 Secretary-Treasurer.....R. G. BEAR

General Counsel

SCOTT, BANCROFT, MARTIN & MACLEISH

Transfer Agent

CONTINENTAL NATIONAL BANK & TRUST Co., Chicago, Ill.

Registrar of Transfers

THE NORTHERN TRUST Co., Chicago, Ill.

11052

UNITED STATES GYPSUM COMPANY

General Offices
300 West Adams Street
CHICAGO, ILLINOIS

Branch Offices

New York	Milwaukee
Buffalo	Minneapolis
Boston	St. Louis
Washington	Kansas City
Baltimore	Omaha
Philadelphia	Dallas
Pittsburgh	Denver
Cleveland	Atlanta
Cincinnati	Memphis
Detroit	Los Angeles
San Francisco	

Subsidiary Companies

Canadian Gypsum Company, Limited
United States Gypsum Company of Delaware
United States Gypsum Company of Maryland
Samson Plaster Board Company
United States Gypsum Transportation Co.
Gypsum Packet Company, Limited

5986

11053 *Government's Exhibit No. 332*

UNITED STATES GYPSUM COMPANY Twenty-eighth
Annual Report Fiscal Year Ending December 31,
1929

11054 United States Gypsum Company of Illinois [for-
merly of New Jersey] Twenty-eighth Annual Re-
port Fiscal Year Ending December 31, 1929

11055 February 13, 1930.

*To the Stockholders of the
United States Gypsum Company:*

Your Board of Directors submits the following report on
the business of the United States Gypsum Company and its
subsidiaries for the year ended December 31, 1929.

The net income for the year is \$5,102,304.92, after deduct-
ing federal taxes and depreciation. This net income, after
providing for the 7% dividend on the preferred stock is
equal to \$3.98 per share on the common stock now outstand-
ing, and represents an earning of \$5.33 per share on the
average number of shares of common stock outstanding
during the year. Cash dividends of \$1,904,114.90 were paid,
and the net amount added to surplus was \$3,491,490.72.

Expenditures for new plants, additions and improve-
ments amounted to \$11,254,534.36, which includes the con-
struction started in 1928 of the new plants at Boston, Phila-
delphia, Detroit, Alabaster and Chicago. The partial financ-
ing of these new plants through the issuance of rights to
the stockholders, yielded \$5,645,306.48 from the year's in-
stallments, the balance being provided out of earnings.
These new mills were completed and put into production too
late in the year to permit them to make a substantial con-
tribution to earnings. The results already attained from
their operation demonstrate the soundness, security and
advantages of these investments.

For many years the Company has suffered from a general
infringement of its wallboard patents and has in-
11056 curred the expense of litigation in their defense.
During the year these conditions have been cor-
rected by arrangements for the payment to us of damages
suffered and through the granting of licenses under royalty.
The returns to be received, while substantial, are relatively

of a minor amount. The major benefits anticipated are a relief from the disadvantages of and incident to legal contention, and the increased consumption of wallboard products which should follow the quality improvements that a full and uniform use of the patented methods and products should assure.

The benefits expected from an improvement in market conditions occurring in the middle of the year were offset by a drastic decline in building which was first felt in August. While improvement is confidently expected, it is obvious that in the cities, in divisions important to our business, building has exceeded the present demand.

Disclaiming ability to foretell the next year's developments at this time, it may be fairly stated that the general feeling of the organization is that we shall have in 1930 a satisfactory and a better year.

Respectfully submitted,

SEWELL L. AVERY,
President.

UNITED STATES GYPSUM COMPANY AND SUBSIDIARY COMPANIES
Consolidated Balance Sheet as of December 31, 1929

ASSETS

Current Assets:

Cash and cash resources—		
Bank balances and working funds	\$ 715,193.01	
U. S. Government securities including accrued interest—at cost	5,433,219.62	\$ 6,148,412.63

Receivables—

Accounts and notes	\$3,821,161.70	
Construction contracts ...	643,822.49	
	<u>\$4,464,984.19</u>	
Less—Reserves for bad debts	379,997.18	4,084,987.01

Inventories of finished goods, raw materials, supplies, etc. as taken by the company, priced at cost which is not in excess of market	4,051,556.84	\$14,284,956.48
---	--------------	-----------------

Stock Subscriptions Receivable, Investments, Etc.:

Employees' stock purchase contracts	\$ 1,393,977.48	
Bonds on deposit for insurance reserve, including interest—at cost	135,336.87	
Miscellaneous stocks and bonds—at book value	74,309.20	1,603,623.55

Plant and Equipment—at Book Value:

Land, gypsum, buildings, machinery, steamers, etc.	\$56,632,037.38	
Less—Reserves for depreciation and depletion	8,992,610.83	47,639,426.55

Deferred Charges:

Stripping costs, amortizable patent expenditures and prepaid expenses	856,675.49	
	<u>\$64,384,682.07</u>	

LIABILITIES

Current Liabilities: <

Accounts payable	\$ 644,090.46	
Accrued liabilities—		
Payrolls, local taxes, etc. ..	\$ 515,303.48	
Federal income taxes	575,052.47	1,090,355.95
		<u>\$ 1,734,446.41</u>

Reserves:

Contingencies	\$ 903,012.32	
Accident insurance, guarantees, etc.	534,958.92	1,437,971.24

Capital Stock and Surplus:

Capital stock—

7% cumulative preferred—
\$100 par value—

Authorized—
100,000 shares

Outstanding—
75,417 shares

\$ 7,541,790.00

Common—\$20 par value—

Authorized—
1,250,000 shares

Outstanding—
1,149,290 shares ..

22,985,800.00

\$30,527,500.00

Surplus	30,684,764.42	61,212,264.42
		<u>\$64,384,682.07</u>

11059

**UNITED STATES GYPSUM COMPANY
and Subsidiary Companies**

**Summary of Consolidated Surplus Account
For the Years 1928 and 1929**

	1929	1928
Net Profits before deducting depreciation, depletion and Federal income taxes.....	\$ 7,415,619.61	\$ 8,325,322.06
Deduct Provisions for:		
Depreciation and depletion	\$ 1,766,082.31	\$ 1,517,082.05
Federal income taxes	547,232.38	776,604.85
Total	\$ 2,313,314.69	\$ 2,293,686.90
Surplus Net Profits for Year (after credit in 1929 for adjustment of taxes previously deducted from income)	\$ 5,102,304.92	\$ 6,031,635.16
Surplus resulting from issuance of Capital Stock	293,300.70	14,624.85
Gross Increase in Surplus during year.....	\$ 5,395,605.62	\$ 6,046,260.01
Deduct Distributions to Stockholders:		
Cash dividends on preferred stock	\$ 528,089.91	\$ 541,502.94
Cash dividends on common stock	1,376,024.99	1,161,098.40
Stock dividends on common stock		1,363,604.60
Total	\$ 1,904,114.90	\$ 3,086,205.34
Net Increase in Surplus during year.....	\$ 3,491,490.72	\$ 2,960,054.67
Surplus at beginning of year	27,193,273.70	24,233,219.03
Surplus at end of year	<u>\$30,684,764.42</u>	<u>\$27,193,273.70</u>

11060

Auditors' Certificate

We have examined the accounts of the United States Gypsum Company and its Subsidiary Companies for the year ended December 31, 1929, and we certify that, in our opinion, the accompanying balance sheet and summary of surplus account correctly present the consolidated financial position of the companies at December 31, 1929, and the consolidated surplus net profits for the year ended that date.

-ARTHUR ANDERSEN & Co.

Chicago, Illinois,
February 10, 1930.

Comparative Consolidated Balance Sheets

ASSETS		1929	1928	1927	1926	1925	1924
Current Assets:							
Cash on hand and in banks	\$	715,193.01	\$ 1,491,516.49	\$ 1,333,346.10	\$ 1,123,703.51	\$ 899,270.20	\$ 1,277,287.04
U. S. Government Securities		5,433,219.62	7,497,095.55	6,100,350.37	5,647,006.23	6,515,129.25	4,551,938.95
Accounts and notes receivable		643,822.49	749,168.68	498,544.91	4,567,001.45	4,628,331.46	3,885,913.60
Construction contracts receivable ..		3,821,161.70	3,756,719.06	4,423,100.65	838,053.60	680,457.68	445,414.60
Inventories		4,051,556.84	3,084,988.03	3,431,907.45	3,754,122.74	3,319,318.56	3,107,081.53
Total		\$14,664,953.66	\$16,579,487.81	\$15,787,249.48	\$15,929,887.53	\$16,042,507.15	\$13,267,625.72
Stock Subscriptions Receivable, Investments, Etc.:							
Stock purchase contracts	\$	1,393,977.48	\$ 6,411,394.86	\$ —	\$ —	\$ —	\$ —
Bonds and other securities		209,646.07	196,697.74	160,032.66	127,814.58	119,118.50	127,087.42
Total		\$ 1,603,623.55	\$ 6,608,092.60	\$ 160,032.66	\$ 127,814.58	\$ 119,118.50	\$ 127,087.42
Plant and Equipment		\$56,632,037.38	\$46,022,197.51	\$39,969,762.25	\$34,371,206.52	\$28,247,659.71	\$24,441,591.27
Deferred Charges	\$	856,675.49	\$ 750,571.11	\$ 639,366.51	\$ 463,956.21	\$ 238,682.28	\$ 162,341.95
Total Assets		\$73,757,290.08	\$69,960,349.03	\$56,556,410.90	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36
LIABILITIES							
Current Liabilities:							
Accounts Payable	\$	644,090.46	\$ 1,139,715.56	\$ 924,426.23	\$ 1,210,554.53	\$ 1,183,038.52	\$ 1,126,980.41
Accrued Liabilities		1,090,355.95	1,817,443.98	1,714,815.39	1,858,182.95	1,697,991.93	1,140,848.70
Total		\$ 1,734,446.41	\$ 2,957,159.54	\$ 2,639,241.62	\$ 3,068,737.48	\$ 2,881,030.45	\$ 2,267,829.11
Reserves		\$10,810,579.25	\$ 9,157,395.79	\$ 7,718,390.25	\$ 6,920,045.74	\$ 6,097,065.82	\$ 5,815,276.47
Capital Stock and Surplus:							
Preferred stock	\$	7,541,700.00	\$ 7,841,700.00	\$ 8,141,600.00	\$ 8,441,600.00	\$ 8,741,600.00	\$ 9,032,900.00
Common stock outstanding		22,985,800.00	15,208,720.00	13,823,960.00	13,757,500.00	10,138,300.00	8,786,960.00
Common stock subscribed		—	7,602,100.00	—	—	—	—
Surplus		30,684,764.42	27,193,273.70	24,233,219.03	18,804,981.62	16,789,971.37	12,595,690.78
Net Worth		\$61,212,264.42	\$57,845,793.70	\$46,198,779.03	\$41,004,081.62	\$35,669,871.37	\$30,415,540.78
Total Liabilities		\$73,757,290.08	\$69,960,349.03	\$56,556,410.90	\$50,892,864.84	\$44,647,967.64	\$37,998,646.36
Net Working Capital		\$12,930,507.25	\$13,622,328.27	\$13,148,007.86	\$12,861,150.05	\$13,161,476.70	\$10,999,796.61

11063 •

UNITED STATES GYPSUM COMPANY

Directors

SEWELL L. AVERY, Chicago, Ill.

WALDO A. AVERY, Detroit, Mich.

R. G. BEAR, Chicago, Ill.

C. R. BIRDSEY, Chicago, Ill.

A. E. ENGLISH, Los Angeles, Calif.

P. A. ENGLISH, Los Angeles, Calif.

JOHN W. FOWLER, Chicago, Ill.

C. F. HENNING, Chicago, Ill.

C. W. HIGLEY, Chicago, Ill.

A. F. KING, New York, N. Y.

G. R. KING, New York, N. Y.

O. M. KNODE, Chicago, Ill.

JOHN E. MACLEISH, Chicago, Ill.

E. L. MARSH, Black Hall, Conn.

MELVIN A. TRAYLOR, Chicago, Ill.

Officers

President.....SEWELL L. AVERY

Vice-President.....O. M. KNODE

Vice-President.....C. F. HENNING

Secretary-Treasurer.....R. G. BEAR

General Counsel

SCOTT, BANCROFT, MARTIN & MACLEISH

Transfer Agent

CONTINENTAL ILLINOIS BANK & TRUST Co., Chicago, Ill.

Registrar of Transfers

THE NORTHERN TRUST Co., Chicago, Ill.

5992

11064

UNITED STATES GYPSUM COMPANY

General Offices
300 West Adams Street
CHICAGO, ILLINOIS

Branch Offices

New York	Milwaukee
Buffalo	Minneapolis
Boston	St. Louis
Washington	Kansas City
Baltimore	Omaha
Philadelphia	Dallas
Pittsburgh	Denver
Cleveland	Atlanta
Cincinnati	Memphis
Detroit	Los Angeles

San Francisco

Subsidiary Companies

Canadian Gypsum Company, Limited
United States Gypsum Company of Delaware
United States Gypsum Company of Maryland
Samson Plaster Board Company
United States Gypsum Transportation Co.
Gypsum Packet Company, Limited
The Gypsum Company

11065

Government's Exhibit No. 333

MEMBERS OF THE MANAGEMENT BOARD:

NEW YORK, MAY 10, 1938

Subj: *Perforated Gypsum Lath*

Dict. by: W. G. BAUMHOGGER, Pres.-E.D.

Effective May 2nd, the U. S. Gypsum Company eliminated the differential of 25¢ per thousand feet on Perforated Lath; in other words, both Perforated and Non-Perforated Lath now sell at \$13.00 per thousand feet.

I do not have the file before me as I dictate this memorandum (Mr. Ernst has it with him and is out of town), but the Licenses on Perforated Lath were offered by the U. S. Gypsum Company to its various Licensees early in 1936. Acting as our representatives, Messrs. Henley and Van Hagan attended a meeting called by Mr. Henning, then Vice President of the U. S. Gypsum Company, for the purpose of discussing the proposed Licenses. One of the commitments made by Mr. Henning at that meeting was that the U. S. Gypsum Company would maintain the minimum price on Perforated Lath at a sufficiently higher level (over Non-Perforated Lath) to cover (a) the additional manufacturing costs; (b) the additional royalty of 10¢ per thousand feet. It was assumed that the additional manufacturing costs would be 15¢ per thousand feet; therefore, the minimum differential was to be 25¢ per thousand feet.

Actually, the additional manufacturing cost of Perforated Lath has been more than 15¢ per thousand feet. Mr. Krug tells me that our additional cost is 35¢ per thousand feet.

The former differential of 25¢ on Gypsum Lath has, therefore, not covered the additional manufacturing cost and the additional royalties.

In eliminating the former differential of 25¢, the U. S. Gypsum Company, as I see it, has done as follows:

1. Failed to keep faith with its Licensees in connection with its promise to maintain the minimum price of Perforated Lath at a higher price than Non-Perforated.

2. Taken a step which will result in a very much larger proportion of Perforated Lath being sold than was the case heretofore.
3. Reduced the income which its Licensees obtain on the sale of Lath. (If, as I assume, a larger proportion of the sales go to Perforated Lath, and as Perforated Lath is now sold at the same price as Non-Perforated, and as Perforated Lath costs more to manufacture than Non-Perforated, and as the Licensees pay a higher royalty to U.S.G. on Perforated Lath, this means that the income of Licensees on their total Lath sales is reduced.)
4. Obtains increased royalties for itself. (The royalty on Perforated Lath is 10¢ per thousand feet more than on Non-Perforated; hence the more Perforated Lath that is sold, the larger are the royalties collected by the U. S. Gypsum Company.) Possibly these larger royalties will offset the U. S. Gypsum Company's additional manufacturing cost of Perforated Lath.

11066 In other words, this action of the U. S. Gypsum Company has placed the rest of the Industry at a disadvantage; without similarly affecting the U. S. Gypsum Company. It seems to me that this is a perfect example of the type of monopolistic and patent control which the Federal Government has said it does not favor. We may wish to consider the advisability of discussing with general counsel the question of filing a complaint with the Federal Trade Commission. Before filing such a complaint, however, I would want to have the data carefully analyzed by a legal firm which specializes in cases of this nature. We would also have to give a great deal of consideration to the effect that such action might have on our future relations with the U. S. Gypsum Company; and to retaliatory action which they might take—such as reducing the price of Wallboard, etc.

According to opinions from counsel, which we have in our files, the U. S. Gypsum Company's Patents on Perforated Lath could probably not be sustained were anyone to attack them. As a matter of fact, there seems to be no reason for believing that the Patents could be sustained. We knew this at the time we signed the License; but, presumably, were influenced by our belief that as other Gypsum Lath and Wallboard items were under Patent and

price control, it would be well to have the same situation apply to Perforated Lath.

The National Gypsum Company has not taken a License for the manufacture of Perforated Lath; but is manufacturing Perforated Lath without the payment of royalty. Mr. Ernst is obtaining the data for us. In comparison with our two largest competitors, therefore, we are at a cost disadvantage to the extent of 10¢ a thousand feet.

The License under which we are operating on Perforated Lath may be cancelled by either party on eighteen months' notice. In view of the fact that the Patents are of doubtful validity, it does not appear likely that the U. S. Gypsum Company will cancel the License. If, however, the Patents are stronger than we have reason to believe they are, there is always the possibility that after the Perforated Lath market has been developed, the U. S. Gypsum Company will cancel the Licenses and thus have that market to themselves.

After considering the various angles of this situation, it is my opinion that we should write a friendly letter to Mr. Knode, President of the U. S. Gypsum Company, along the following lines:

"Effective May 2nd, your Company reduced the price of Perforated Lath from \$13.25 per thousand feet to \$13.00—in other words, wiped out the differential which has heretofore existed in the prices of Perforated Lath and Non-Perforated Lath.

"We have every reason to believe in the integrity of the U. S. Gypsum Company; and we are sure that the management of the U. S. Gypsum Company would not, knowingly, violate its commitments. For that reason, we are of the opinion that you are not acquainted with the assurance given us by Mr. Henning prior to our
11067 acceptance of a License for the manufacture of Perforated Lath, which assurance was to this effect:

That the U. S. Gypsum Company would, while such License was in effect, maintain the price of Perforated Lath at a sufficiently higher price than Non-Perforated Lath to cover (a) the additional manufacturing cost; (b) the additional royalties of 10¢ per thousand feet. It was, furthermore, agreed by Mr. Henning—in his capacity as Vice President of the U. S. Gypsum Company—that this differential would be a minimum of 25¢ per thousand feet, on the assumption that the ad-

ditional cost of manufacturing Perforated Lath would be 15¢ per thousand feet, which, plus the 10¢ per thousand feet extra royalties, amounted to an additional cost to Licensees of 25¢ per thousand feet.

"Actually, the former differential of 25¢ per thousand feet did not cover such additional costs. Our experience to date indicates that Perforated Lath costs us 35¢ per thousand feet more than Non-Perforated Lath, exclusive of the 10¢ per thousand feet additional royalty.

"If Perforated Lath cost the same to manufacture as Non-Perforated, and if the royalty on Perforated Lath were no higher than on Non-Perforated, there would, of course, be no valid reason for selling Perforated Lath at a higher price than Non-Perforated; but, as stated above, that is not the case. Your action, therefore, in reducing the price of Perforated Lath places us at a distinct disadvantage with respect to both yourselves and the National Gypsum Company, inasmuch as the National Gypsum Company is not operating under a similar license and is not required to pay an additional 10¢ per thousand feet royalty. If, as we believe, the establishing of the same selling price on Perforated and Non-Perforated Lath will result in a very much larger proportion of Perforated Lath being sold, this disadvantage to us is likely to become acute, in that we not only fail to recoup the higher cost of manufacturing Gypsum Lath, but will be required to pay you the additional royalty on a much larger proportion of our Gypsum Lath business than has been the case heretofore.

"Under the circumstances, and particularly in view of the assurances given to us by Mr. Henning prior to our acceptance of the License on Perforated Lath, we request that you reinstate the price of Perforated Lath at \$13.25 per thousand feet; and we also request that during the time this License is operative, this differential of 25¢ per thousand feet between the price of Perforated and Non-Perforated Lath be maintained.

"So that you may understand our position in the matter, may we say that Mr. Henning's assurances as to the maintenance of an adequate differential between the price of Perforated and Non-Perforated Lath were

a prime consideration in our decision to accept the license? In other words, if this assurance had
 11068 not been given, we would not have signed the License Agreement.

"We believe your action in recently eliminating the former 25¢ per thousand feet differential indicates that you are not acquainted with the assurance that was given us by Mr. Henning. We hope that you will be disposed to accept our word that this assurance was given. If you desire it, however, we shall be glad to furnish affidavits to this effect from several people who were present at the meeting at which Mr. Henning gave this assurance.

"We particularly request that you do not reinstate the differential of 25¢ per thousand feet between the minimum selling prices of Perforated and Non-Perforated Lath, by maintaining Perforated Lath at \$13.00 per thousand feet and reducing Non-Perforated Lath to \$12.75. Gypsum Lath, as you know and as I believe all of your Licensees will tell you, is and has been selling at a lower price than is warranted by its manufacturing cost and distributing expense.

"An early statement from you regarding your decision in the matter will be appreciated."

I sent Mr. Henley a copy of a proposed letter, similar to the one quoted above, and asked him to give me a frank expression of opinion regarding the advisability of such a letter.

Mr. Henley's reply is as follows:

"In my opinion a 'letter of disapproval' should not be written (for the following reasons):

1. Matters of this kind can always be handled by conference to a much better advantage than by formal correspondence.

2. I am doubtful that U. S. G. would make any change in policy on account of our protest or because of Mr. Henning's commitment.

3. Information received confidentially that U.S.G. are selling approximately 50% to 60% of their lath in perforated form—National about 12% and Certain-
 teed only some 5%.

4. U.S.G. are 'sold' on the potential market that cheap Gypsum Lath will 'open' to the industry (Wood

Lath Market) and are definitely of the opinion that \$13.00 Perforated will further materially increase market (Metal Lath) possibilities."

I do not agree with Mr. Henley's conclusions.

In paragraph "1", he states that matters of this kind can always be handled by conference to much better advantage than by formal correspondence. I doubt that this is the case. True, the U. S. G. Company prefers to have conferences, but we know that they are past masters in the art of promising nothing at conferences. It seems to me that it would be much better for us in this instance to follow a technique that they do not like—that of stating our position, and our reasons for it, in writing. We shall, of course, have to consult counsel to determine whether we are incriminating ourselves by admitting that we were party to an agreement to maintain the price of Perforated Lath at a higher level than Non-Perforated; but it seems to me that the additional manufacturing cost and the additional royalty was, from our point of view, sufficient consideration for entering into such an agreement.

The second point made by Mr. Henley is that the U.S.G. Company will not honor the commitment made by Mr. Henning. That is an assumption; we won't know until we ask them. My own opinion is that the U. S. Gypsum Company does not wish to be in the position of violating an agreement which it has made.

The other two points raised by Mr. Henley are irrelevant.

Please consider this subject carefully prior to the next Management Board Meeting on the 20th, at which time it will be discussed.

11070

Government's Exhibit No. 334

PERFORATED GYPSUM LATH

MAY 16, 1938

H. H. VAN HAGAN—eoc

cc: Messrs.

A. Whittemore, V.P.—New York

E. G. Roos, V.P.—New York

James K. Norris, V.P.—New York

G. P. Krug—New York

O. R. Orr—New York

Referring to your memorandum of May 10 regarding the price situation on Perforated Gypsum Lath would comment on this as follows:

Referring to the second paragraph of your letter, while it is true that Mr. Henning did state that a price differential of 25¢ would apply on Perforated Gypsum Lath I do not believe that any guarantee was given that this price would be indefinitely maintained. In fact, when the license agreement was finally made up and submitted for signature this agreement did state that Licensor would have the privilege of changing prices at any time in future. This information was clearly contained in the agreement and agreement was negotiated on that basis. Taking this into consideration I would hesitate to recommend the proposed letter to Mr. Knode.

Referring to the third paragraph and information furnished by Mr. Krug on additional costs of perforating, which I interpret as the manufacturing cost of 35¢ per M. feet plus a royalty of 10¢ per M. feet, would advise that these figures need further explanation. There is included in this figure an Overhead running from 11¢ per M. at Akron with a standard production of 600,000' to 21¢ per M. at Acme, Texas with a standard production of 200,000'. You can readily appreciate that if any considerable production were actually developed that this Overhead figure would readily reduce itself from 2¢ to 5¢ per M.

Also with reference to the manufacturing cost, it was not contemplated at the time original installation of these machines was made that the Perforated Lath production would be a very large percentage of the total. Consequently machines were set up in out of the way places

where material could be conveyed to them by skids and in turn removed by skids. This made a 2 man operation out of the perforator. As production has stepped up we are rearranging these machines to put them into line with the lath bundlers and for complete automatic operation and when these matters have all been worked out the manufacturing cost will be considerably reduced. It is my estimate that the direct manufacturing cost without 11071 Overhead will be below 15¢ per M. feet. The Acme, Texas and Fort Dodge machines are now installed in this manner. The Akron machine is in process of being changed and appropriation has been submitted to cover. When these changes have been completed and production has reached a point where Overhead is in proper proportion to the balance of the cost I estimate the cost of perforating in total and including Overhead will range between 15¢ and 20¢ per M. square feet.

While it is true that Perforated Lath has made tremendous strides on the Pacific Coast it must be taken into consideration that California has State laws which demand a mechanical key of plaster to Gypsum Lath. This has resulted in development of Perforated Lath, Button Lath, Key Lath, etc. on the Pacific Coast. I have not felt that the reduction in the price in the East is going to swing all of our lath business over to Perforated Lath. My reason for this statement is that because of the perforation in this lath an excess of 5% of plaster is required on one of these jobs. This means the purchase of this 5% of material, the handling, mixing and application of same, and which is going to be quite an item on a plastering contractors costs. I believe the addition of Perforated Lath for general use is going to be slow for this reason.

It is my present thought that it would not be advisable to write the proposed letter to the U.S.G. Company and my reason for this comment is due to the fact that we still have a considerable job to do to bring our percentage of the industry up to 18% to 20%. Also that this additional percentage can be gained more readily by constant "wood sawing" rather than by developing any antagonism at this time. We also, of course, can protect ourselves to a much greater extent by the establishment of board and lath production at our other plaster mills, such as Grand Rapids and possibly Blue Rapids. The elimination of freight absorption is a much bigger factor than the small differential and royalty involved in this recent price change on

Perforated Lath. It is quite possible that putting the Perforated Lath and the regular lath on the same basis may assist in greatly enlarging the Gypsum Lath market, which in turn will mean more production for everyone. I believe this should be seriously considered.

As a further protection to our Gypsum Lath business I believe that the better control of paper prices for our western plants by our own production at East St. Louis is very necessary.

If it should be the majority opinion of the Management Board that a letter along the lines submitted be written to Mr. Knode I would suggest that the name of the National Gypsum Company be deleted and reference simply made to "another competitor." It was my understanding that the National Gypsum Company have al-
11072 ready received an infringement notice on their Perforated Lath.

I am giving you below an outline of the reasons which were taken into consideration in the signing of this license agreement:

First,—It was contended that the signing of the license agreement and payment of royalty was an added feature in maintaining the general patent structure covering Gypsum Wallboard and Lath and that it was correct procedure to do this, even taking into consideration the extra royalty which would be involved.

Second,—Our Company has no fire test data on our own products. It would be necessary that we conduct a fire test at the Bureau of Standards, at least on a side wall construction, and get a definite rating on our own products; otherwise we must use the Licensor's test data and which we have been doing in the past. The writer checked with the Bureau of Standards as to cost involved and which would amount to from \$500.00 to \$700.00 for a side wall construction fire test.

The above is written to express my present thoughts on this situation.

New York

7/11/38

Chicago Sales

PERFORATED GYPSUM LATH

MR. W. G. BAUMHOGGER, Pres.

WARREN HENLEY—LP

7/7/38

cc MR. E. G. ROOS, V.p., New York

MR. A. WHITTEMORE, F.p., New York

Saturday morning, July 9, I asked Mr. Knode as to present status of subject matter.

Mr. Knode advised that they had given this subject very careful consideration for the reason that if patent was "good," they definitely were of the opinion that same should be preserved for not only the benefit of licensor, but the licensees as well. However, he mentioned that they were not particularly interested in the income received from royalties.

To answer your specific question, Mr. Knode stated that they had decided that the patents were "good" and in order to clarify the situation, a formal letter had been written to manufacturers who had not recognized the perforated feature, the first letter being written July 8, and it was their intention to follow with another one within the next few days.

Mr. Knode went on to say that it is true—perforated lath had been manufactured for the last eight or ten years, containing, however, a $\frac{3}{8}$ inch opening, whereas the real patent feature claimed by them consisted of a perforation $\frac{3}{4}$ inch in diameter together with proper spacing, and it is this combination "differing from previous board manufactured" that they claim is "new" and provides for the one-hour fire rating which the other types do not measure up to. It is therefore their decision to vigorously defend their patent position.

Mr. Knode went on to say that their position did not necessarily close the door on a discussion involving a possible reduction in royalty payments by us, and inasmuch as he plans on being in New York later this week or early next week, he will make it a point to drop in and see you and discuss this matter further.

I asked Mr. Knode to give me a ring a day or so previous to his leaving Chicago and I would teletype you day of his arrival in order, that if possible you could arrange to see him.

In conclusion. U. S. Gypsum intend to defend their perforated lath patent situation. They are quite willing to discuss possible reduction in royalty on our part during interim, i.e., from May 2, 1938 until patent position is fully clarified.

11074

Government's Exhibit No. 336

OAKFIELD GYPSUM PRODUCTS CORP.

Manufacturers of Gypsum Products

OAKFIELD, N. Y.

No. 11777

May 21, 1938

Sold to: Quality Materials Co.

Address: 220 Depew Avenue, Buffalo, N. Y.

Shipped to: City Material & Coal Co.
Bessemer Ave. Cleveland, Ohio

Via PRR Dely.

In Car: SO 306423

F. O. B. Cleveland Ohio

Our Order:

Your Order: Phone AMD

Terms: 2% 10 Days
30 Days Net

Quantity		Price	Total
10	Tons Oakleaf Neat Plaster 100 # Paper	12.60	126.00
	Less 15% commission on net mill price of plaster or \$7.40 per ton		11.10
			114.90
	Less 2%		2.30
			112.60
			Paid

Board billed direct to City Material & Coal Co.
and freight deducted from their invoice

Order 279

Invoice 459

Remittance #220

Send All Remittances to 728 Broad Street, Utica, N. Y.

Cost of cloth bags is included in billed price and must be paid with the material. Cloth bags are purchased at 15 cents each when returned within 6 months, in good condition, freight prepaid to us at Oakfield, N. Y.

6004

11075

Government's Exhibit No. 337

OAKFIELD GYPSUM PRODUCTS CORP.

OAKFIELD, N. Y

Order No.:

Sold to: Thomas Cox Co., Inc.
205 11th Street, Niagara Falls, N. Y.

Ship to: Thomas Cox Co., Inc.
205 11th Street
Niagara Falls, N. Y.

June 16, 1938.

Route Via: Our Truck

Make Shipment: Today

Terms (See other side)

Quantity	Description	Price	Unit
63 Bdls.	Oakleaf Metallized Gypsum Lath, $\frac{3}{8}$ ", 16" x 48"		
134 Bdls.	Oakleaf Gypsum Lath, $\frac{3}{8}$ ", 16" x 48"		
150 Pcs.	Oakleaf Plasterboard, $\frac{3}{8}$ ", 32" x 36", Folded Edges.		

Confirming 'phone from Mr. Hawkins and confirming
'phone to Oakfield Mill.

Dear Charlie: I told Mr. Hawkins to send you the order, you can
'forward it on to me as of course this being for Board we
will bill direct.

AL,

Oakfield Gypsum Products Corp.

By A.M.D.

6005

11076

Government's Exhibit No. 338

OAKFIELD GYPSUM PRODUCTS CORP.

OAKFIELD, N. Y.

Order No.: 264

Sold to: Thomas Cox Co., Inc.
205 11th St., Niagara Falls, N. Y.

Ship to: Same
Johnson Warehouse
2532 Hyde Park Blvd., Niagara Falls, N. Y.

June 20, 1938.

Route Via: Our Truck Make Shipment: Deliver before noon today.

Terms (See other side)

Quantity		Description	Price	Unit
52 Pcs.	3/8"	4x8' Oakleaf Recessed Edge Gypsum Wallboard	1664 Sq. Ft.	
10 Pcs.	3/8"	4x10 Oakleaf Recessed Edge Gypsum Wallboard	400 Sq. Ft.	
8 Pcs.	3/8"	4x12 Oakleaf Recessed Edge Gypsum Wallboard	384 Sq. Ft.	
158 Bdlea	3/8"	16"x48" Oakleaf Plain Gypsum Lath	5056 Sq. Ft.	

Confirming 'phone to mill.

Thanks,

AL.

Oakfield Gypsum Products Corp.

By A.M.D.

6006

11077

Government's Exhibit No. 339

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MAY 17, 1932.

MR. M. H. BAKER, *Prés.*,
National Gypsum Company,
Buffalo, N. Y.

DEAR SIR:

Re: Dwight Hinckley Lbr Co.

Since receipt of your letter of the first ult. regarding your sales to the above account of patented gypsum wall-board and plasterboard manufactured and sold by you under your license agreement we have received information indicating that Dwight Hinckley Lumber Company is offering such patented wallboard for sale at prices less than our minimum price to you therefor. It seems unreasonable to us that this dealer would be selling such patented board at a loss and we must therefore ask you for more specific information concerning your sales to this account.

We desire that you supplement your letter of April 1st with an affidavit advising us of the price actually paid by this dealer for the board shipped under the invoices listed in your letter. The affidavit should also state what, if any, adjustments, rebates or credit allowances of any nature whatsoever have been allowed to this dealer during the period that these shipments were made and should state the amount of any unpaid balances due on any of the shipments referred to in your letter.

Yours very truly,

BOARD SURVEY COMPANY

FRANK M. MILLER

Executive Secretary.

11078

*Government's Exhibit No. 340**NATIONAL GYPSUM COMPANY
Inter-Office Correspondence*

From R. F. BURLEY

Date MAY 25, 1932

After several days check-up Chicago will do nothing to stop Port Clinton pick-up and trucking until the Cleveland situation is disposed of.

By this they mean that Dwight Hinckley is selling to other dealers L.C.L. lots at less than carload price. To compete U.S.G. and others have to truck to Cleveland dealers. They won't entertain cleaning up Port Clinton until the Dwight Hinckley situation is cleaned out. I explained we were practically through but they want something quite definite on this—a definite commitment not to sell them. I felt before I gave this I would ask L. R. Lund to give me a memorandum of what Dwight Hinckley owe us and then check with you on the best type of official notice to give Dwight Hinckley that we have made other plans of distribution and won't sell them.

Would like your suggestions for handling this with Dwight Hinckley and as soon as possible. Perhaps it would be best to handle personally so as not to get involved in any correspondence. Then I will notify Chicago of our action and the wheels will be put in motion to try and correct the whole Port Clinton situation.

Yours very truly,

R. F. BURLEY

6008

11079

Government's Exhibit No. 341

NATIONAL GYPSUM COMPANY
Inter-Office Correspondence

To C. A. HIGGINS

Date MAY 25, 1932

In reference to Dwight Hinckley, if they mail in an order for a carload of board what are your suggestions for handling it? I mean what is the best basis on which to turn it down.

Yours very truly,

B

R. F. BURLEY

11080

Government's Exhibit No. 343

MAY 24, 1932

MR. F. M. MILLER
Board Survey Co.
300 West Adams Bldg.
Chicago, Ill.

DEAR MR. MILLER:

Attached are certified statements covering our transactions during the last six months with the Dwight Hinckley Lumber Co., Cleveland, Ohio, as requested in your letter of the 17th.

It would naturally strike you as unreasonable that this dealer would be selling patented board at less than his cost. I personally had an opportunity to check into this some months ago and out of a discussion with this dealer it developed that they have been using the price on wall-board as a leader to sell certain other products. We recognize that such a policy is detrimental to our interest with other dealers and for that reason we hope to either correct this policy or discontinue the sale of Gold Bond wallboard to this account.

Very truly yours

M. H. Baker:MP

President

11081

Government's Exhibit No. 343-A

NATIONAL GYPSUM COMPANY
General Offices Buffalo, N. Y.

MAY 24, 1932.

MR. F. M. MILLER
*Board Survey Co.
300 West Adams Bldg.
Chicago, Ill.*

DEAR MR. MILLER:

Attached are certified statements covering our transactions during the last six months with the Dwight Hinckley Lumber Co., Cleveland, Ohio, as requested in your letter of the 17th.

It would naturally strike you as unreasonable that this dealer would be selling patented board at less than his cost. I personally had an opportunity to check into this some months ago and out of a discussion with this dealer it developed that they have been using the price on wall-board as a leader to sell certain other products. We recognize that such a policy is detrimental to our interest with other dealers and for that reason we hope to either correct this policy or discontinue the sale of Gold Bond wallboard to this account.

Very truly yours

M. H. BAKER

M. H. Baker:MP

President

11082

MAY 24, 1932

During the past six months we have had no credit for allowances on the account of the Dwight-Hinckley Lumber Co., Cleveland, Ohio.

Certified true and correct statement.

IRWIN W. HILS
Bookkeeper

Subscribed and sworn to before me this 24th day of May, 1932.

CATHERINE HOGG
Notary Public

[SEAL]

6010

14083

NATIONAL GYPSUM COMPANY

Jackson Building

BUFFALO, N. Y.

Invoice No. 58467

Terms: { March-1st dating.
2-10-30

No discount allowed on freight.

Date Feb. 11, 1932.

Shipped to

Dwight-Hinckley Lumber Corp.,
Cleveland, Ohio.

Your Order No.

Our Order No. 20952

Territory Ritchie

F. O. B. Mill Frt Allowed

Car Initial & No. D&M 2618

Shipped from National City Mich

Shipped Via DM-MC-Toledo-NYC

N&SS Dely

Sold to

Dwight-Hinckley Lumber Corp.,
4223 E. 49th Str.,
Cleveland, Ohio.

COPY

1000 Panels 4x8 Gold Bond Board	32,000 sq ft	\$29.00	\$928.00
	Less Freight		193.96
			<u>\$824.04</u>

This is a true and certified copy of original invoice.

J. E. TABER
Accounting Department.Subscribed and sworn to before me
this 24th day of May, 1932CATHERINE HOGG
Notary Public

(Notarial Seal)

When deducting for freight charges, paid Expense Bill
must accompany remittance

6011

11084

NATIONAL GYPSUM COMPANY

Jackson Building

BUFFALO, N. Y.

Invoice No. 57851

Terms: } 2/10 N/30

No discount allowed on freight.

Shipped to

Dwight-Hinckley Lumber Co.,
Cleveland, Ohio.

Date

Jan. 27, 1932.

Your Order No.

Our Order No. 20849

Territory

Ritchie

F.O.B.

Mill Frt Allowed

Car Initial & No.

D&M 2531

Shipped from

National City Mich

Shipped Via

DM-MC-Toledo-NYC
N&SS Dely

Sold to

Dwight-Hinckley Lumber Corp.,
4223 E. 49th Str.,
Cleveland, Ohio.

COPY

675 Panels 4x6 Gold Bond Board

16200

575 " 4x7 "

16100

32300 sq ft \$29.00

\$936.70

Less Freight

. 104.91

\$831.79

This is a true and certified copy of original invoice.

J. E. TABER
Accounting Department.Subscribed and sworn to before me
this 24th day of May, 1932CATHERINE HOGG
Notary Public

(Notarial Seal)

When deducting for freight charges, paid-Expense Bill
must accompany remittance

6012

11085

NATIONAL GYPSUM COMPANY

Jackson Building

BUFFALO, N. Y.

Invoice No. 56568

Terms: { 2% Cash Discount if paid
before March 1st.

No discount allowed on freight.

Shipped to

Dwight-Hinckley Lumber Co.,
Cleveland, Ohio.

Date

Dec. 22, 1931.

Your Order No.

Our Order No. 20659

Territory Ritchie

F. O. B. Mill Frt Allowed

Car Initial & No. D&M 2666

Shipped from National City Mich

Shipped Via DM-MC-Toledo-NYC

N&SS Dely

Sold to

Dwight-Hinckley Lumber Co.,
4223 E. 49th Str.,
Cleveland, Ohio.

COPY

5628 Panels 16x48 Lath

30,016 sq ft \$16.76

\$503.07

Less Freight

80.03

\$423.04

This is a true and certified copy of original invoice.

J. E. TABER
Accounting Department.Subscribed and sworn to before me
this 24th day of May, 1932CATHERINE HOGG
Notary Public

(Notarial Seal)

When deducting for freight charges, paid Expense Bill
must accompany remittance

11086

NATIONAL GYPSUM COMPANY

Jackson Building

BUFFALO, N. Y.

Invoice No. 56499

Terms: { 2% Cash Discount if paid
before March 1st.
No discount allowed on freight.

Shipped to

Dwight Hinckley Lumber Co.,
Cleveland, Ohio.

Date

Dec. 22, 1931.

Your Order No.

....

Our Order No.

20660

Territory

Ritchie

Sold to

Dwight-Hinckley Lumber Co.,
4223 E. 49th Str.,
Cleveland, Ohio.

F. O. B.

Mill Fft Allowed

Car Initial & No.

D&M 2601

Shipped from

National City Mich

Shipped Via

DM-MC-Toledo-NYC

N&SS Dely

COPY

1000 Panels 4x8 Gold Bond Board	32,000 sq ft	\$28.76	\$920.32
	Less Freight		89.26
			<u>\$831.06</u>

This is a true and certified copy of original invoice.

J. E. TABER
Accounting Department

Subscribed and sworn to before me
this 24th day of May, 1932

CATHERINE HOGG
Notary Public

(Notarial Seal)

When deducting for freight charges, paid Expense Bill
must accompany remittance

6014

11087

NATIONAL GYPSUM COMPANY

Jackson Building

BUFFALO, N. Y.

Invoice No. 56376

Terms: { 2% Cash Discount if paid
before Feb. 20th.

No discount allowed on freight.

Shipped to

Dwight-Hinckley Lumber Co.,
Cleveland, Ohio.

Sold to

Dwight-Hinckley Lumber Co.,
4323 E. 48th Str.,
Cleveland, Ohio.

Date Dec. 18, 1931.

Your Order No.	....
Our Order No.	20644
Territory	Ritchie
F. O. B.	Mill Frt Allowed
Car Initial & No.	PRR 93375
Shipped from	National City Mich
Shipped Via	DM-MC-WLE-N&SS

COPY

500 Panels 4x9	Gold Bond Board	18000	
450 " 4x10	"	18000	
		36000 sq ft	\$28.76 — \$1,035.36
		Less Freight	100.14
			\$ 935.22

This is a true and certified copy of original invoice.

J. E. TASER
Accounting Department.Subscribed and sworn to before me
this 24th day of May, 1932CATHERINE HOGG
Notary Public

(Notarial Seal)

When deducting for freight charges, paid Expense Bill
must accompany remittance

11088

NATIONAL GYPSUM COMPANY

Jackson Building

BUFFALO, N. Y.

Invoice No. 55233

Terms: { Dec. 1st Dating.

No discount allowed on freight

Shipped to

Dwight-Hinckley Lumber Co.,
Cleveland, Ohio.

Sold to

Dwight-Hinckley Lumber Co.,
4223 E. 49th Str.,
Cleveland, Ohio.

Date	Nov. 16, 1931.
Your Order No.	.....
Our Order No.	20436
Territory	Ritchie
F. O. B.	Mill Frt Allowed
Car Initial & No.	L&M 2572
Shipped from	National City Mich
Shipped Via	DM-MC WLE N&SS
	Dely

COPY

150 Panels 4x9	Gold Bond Board	5400		
250 "	4x10 "	10000		
		15400 sq ft	\$28.76	\$442.90
2850 Panels 16x48	Lath	15200 "	16.76	254.75
				<u>\$697.65</u>
		Less Freight		83.51
				<u>\$614.14</u>

This is a true and certified copy of original invoice.

J. E. TABER
Accounting Department.Subscribed and sworn to before me
this 24th day of May, 1932CATHERINE HOGG
Notary Public

(Notarial Seal)

When deducting for freight charges, paid Expense Bill
must accompany remittance

6016

11089

Government's Exhibit No. 345

NATIONAL GYPSUM COMPANY
General Offices
BUFFALO, N. Y.

SEPTEMBER 20, 1927

MR. W. T. BLACK, *Gen. Mgr.*
Fairmont Wallplaster Co.
Fairmont, W. Va.

DEAR SIR:-

If convenient, we would like very much to have a reply to our letter of September 8th, copy of which is attached.

We feel we have something of interest, providing the subject is open for discussion at this time.

Yours very truly,

NATIONAL GYPSUM COMPANY

R F BURLEY

Assistant Director of Sales

RFBurley/FC

11090

Government's Exhibit No. 345-2

SEPT. 8, 1927

MR. W. T. BLACK, *Gen. Mgr.*
Fairmont Wallplaster Co.
Fairmont, W. Va.

DEAR SIR:-

You are familiar with our recent entry into the plaster field in the East. We have at Clarence, N. Y. one of the purest gypsum deposits and have in the past few months introduced our product in to the more important centers and are meeting an enthusiastic support on the part of the trade.

We are set up for big production and have the capacity to render service. Although we understand that a fair part of your business is taken care of out of Port Clinton, we thought you might be interested in advising us how much tonnage you had for direct shipment in the Eastern field. Would you be at all interested in having us handle this tonnage for you and on what differential.

Yours very truly,

NATIONAL GYPSUM COMPANY

11091

Government's Exhibit No. 346

NATIONAL GYPSUM COMPANY
General Offices
BUFFALO, N. Y.

OCTOBER 12, 1927

MR. W. T. BLACK, *Gen. Mgr.*
Fairmont Wallplaster Co.
Fairmont, W. Va.

DEAR MR. BLACK:-

We have written you several times in regard to serving you on your requirements for direct shipment in the Eastern field.

Won't you be kind enough to drop us a note and let us know if the subject is open for discussion, as we feel that we have something of interest to you.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Assistant Director of Sales

RFBurley/FC

11092

FRIDAY, OCTOBER 14TH, 1927.

MR. R. F. BURLEY,
National Gypsum Company,
Buffalo, New York.

DEAR MR. BURLEY:

The writer regrets to have your letter of the 12th conveying the information that you have had no reply to your former letter. I of course knew that I had not personally replied to your former letter, but I thought our Mr. Conway had written you.

I think you will appreciate that the bulk of our tonnage goes from our American Gypsum plant at Port Clinton. It is a fact however that it is advantageous to supply some of our Eastern trade with shipments from New York mills.

6018

This tonnage is being supplied with mills with which we have had very close connections for a number of years and we simply do not have occasion at any time to require any additional sources of supply. We trust you will appreciate our position in this matter and we thank you very much for your invitation to deal with you.

Yours very truly,

FAIRMONT WALL PLASTER COMPANY,

W. T. Black,
//sy

Manager.

11093

Government's Exhibit No. 347

NATIONAL GYPSUM COMPANY
General Offices Buffalo, N. Y.

SEPTEMBER 27, 1929

MR. J. R. SPEASE
Fairmont Wall Plaster Co.
Fairmont, W. Va.

DEAR MR. SPEASE:

This morning I had a letter from Charlie Higgins telling me about his visit with you. Immediately my imagination went back fifteen years to a very pleasant and profitable relationship. While I have been out of touch with you personally, I understand the world has been good to you and that you have managed to exist during the disastrous gypsum warfare.

I have been looking over the maps and records all day with the one thought of working out something in our business that would justify the support of your organization and I believe there is a distinct opportunity for you to make some money out of our proposition.

I would like to suggest that you and Mr. Conaway take a day off and visit Buffalo as my guests, see our plant and analyze every angle to our business. Then if you see an opportunity for your company, I will go the limit in helping you work it out to our mutual interest.

Since we are approaching the active fall season, I believe it would be best for you to come up right away. How-

ever, wire me a day or so ahead as I want to be here when you come.

With kind personal regards, I am,

Very truly yours

M. H. BAKER

MP

President

M.H.Baker :MP

11094

Government's Exhibit No. 348

THURSDAY, OCTOBER 3RD, 1929.

MR. M. H. BAKER, *President,*
The National Gypsum Company,
Buffalo, New York.

DEAR MR. BAKER:

Your letter of September 27th received some days ago. I have read it with a good deal of interest and thank you for your invitation to come to Buffalo and visit your plants. Both Mr. Conaway and myself would like the opportunity to visit you and your plants. Just when we can come I can not say today as there are one or two other little matters pending that must be disposed of before we make a change. I firmly believe, however, this will be worked out soon and that we can offer you some tonnage. It is much more satisfactory to us to confine our purchases to one company and your products have the reputation. I regret that I can not make a more definite arrangement at this time but will let you hear from us in the very near future. With kind regards and best wishes, I beg to remain

Very truly yours,

FAIRMONT WALL PLASTER COMPANY,

JRS/sy

President.

6020

11095

Government's Exhibit No. 349

NATIONAL GYPSUM COMPANY
General Offices Buffalo, N. Y.

OCTOBER 7, 1929

MY DEAR MR. SPEASE:
Fairmont Wall Plaster Co.
Fairmont, West Virginia

MY DEAR MR. BAKER:

I understand from your letter of the 3rd that you and Mr. Cenaway will visit us at an early date.

I will look forward with interest to seeing you.

Very truly yours

M. H. BAKER

MP

M.H.Baker:MP

President

11096

Government's Exhibit No. 350

SATURDAY, JANUARY 11TH, 1930.

MR. M. H. BAKER, *President,*
The National Gypsum Company,
Buffalo, New York.

MY DEAR MR. BAKER:

Mr. Conaway and myself would like to meet you in your office next Friday morning, January 17th about 9:30 a.m., if it is convenient for you to meet us at that time. In the event you can not meet us please advise us immediately.

With kind regards I beg to remain

Very truly yours,

FAIRMONT WALL PLASTER COMPANY,

JRS/sy

President.

11097

Government's Exhibit No. 351

NATIONAL GYPSUM COMPANY
General Offices
 BUFFALO, N. Y.

JANUARY 22, 1930

MR. J. R. SPEASE,
c/o Fairmont Wall Plaster Co.,
Fairmont, W. Va.

DEAR MR. SPEASE:-

There are some developments in the gypsum field now being worked out, with which you are undoubtedly familiar, and I have the feeling that it might be more satisfactory to delay our meeting for another thirty days or so for this reason. I can go into this in more detail when I see you.

In the meantime, I am sending you a special portfolio covering part of our 1930 program which will give you an interesting slant on some of our activities. Your letter of January 11th is indeed appreciated and I hope in another thirty days we can get together to discuss things intimately.

With kindest regards, I am

Yours very truly,

M. H. BAKER

MHBaker/B

President

11098

Government's Exhibit No. 352

NATIONAL GYPSUM COMPANY
General Offices
 BUFFALO, N. Y.

APRIL 3, 1930

MR. J. R. SPEASE
Fairmont Wall Plaster Co.
Fairmont, W. Va.

DEAR MR. SPEASE:

This will acknowledge your letter of April 1st in reference to your contemplated visit to see us.

MICRO

TRADE

1112

CARD 22
MARK 



63



6022

Since I first opened the subject with you there has been some change in the industry affecting jobber arrangements. This makes it more difficult to work out a proposition such as I originally had in mind for you.

Until the program now being developed by the industry has been clarified, I question the advisability of taking the time for a trip to Buffalo, although I would be pleased to see you personally and spend a day with you. If you feel like taking the time for a trip here under these conditions, you might wire me and I will make it a point to be here.

With kind regards, I am,

Very truly yours

M. H. BAKER

MP

M.H.Baker:MP

President

11099

Government's Exhibit No. 353

4/7/30

To M H BAKER

National Gypsum Co.
Buffalo, N. Y.

Agreeable to you, I will be in Buffalo Thursday morning.

J. R. SPEASE

11100

Government's Exhibit No. 354

4/7/30

Buffalo 4:27 PM

To J. R. SPEASE

Glad to see you Thursday. Will be tied up most of morning.

M. H. BAKER

11101

Government's Exhibit No. 355

NATIONAL GYPSUM COMPANY
General Offices
BUFFALO, N. Y.

MAY 23, 1930

MR. J. R. SPEASE

Fairmont Wall Plaster Co.
Fairmont, West Virginia

DEAR MR. SPEASE:

I have been away a great deal for the last two weeks, during which time I did not have the opportunity of getting the final conclusion of our Sales Department for working out a jobbing proposition which we discussed when you were up here.

However, in checking this up, we do not see any immediate possibility for working out a proposition that would be of interest to you. I want you to know; however, that we appreciate your interest in our products. If at some future date it is possible to set up a working arrangement to our mutual interest, you can rest assured that we will get in touch with you.

With kind personal regards to yourself and Mr. Black, I am,

Very truly yours

M. H. BAKER

MP

M.H.Baker:MP

President

6024

11102

Government's Exhibit No. 356

OAKFIELD GYPSUM PRODUCTS CORP.

Plant at Oakfield, N. Y.

Address Reply to 300 W Water St
Syracuse N Y

APRIL 24 1933.

FAIRMONT WALL PLASTER CO.

Fairmont West Virginia

GENTLEMEN-

Replying to your favor of the 22nd, we are sending you, under separate cover, samples of our Oakleaf Cork Gypsum Wallboard. This is made for us by the Kelley Plasterboard Company at Delawanna, New Jersey, and it is made of our gypsum.

The shipping weight of the gypsum wallboard is 1570 pounds per M square feet, and on the gypsum lath 1552 pounds per M square feet. The Kelley board is slightly lighter than these weights, but this is the agreed billing basis.

We carry in stock at Oakfield the Gypsum Board in 4' widths 6, 7, 8, 9, 10, and 12' long; and we carry the Gypsum Lath in 16x32, 16x48, 32x36, and 32x48.

Due to the license agreement among the board manufacturers, we have no way of making the sale of this product profitable to you. It is, of course, distinctly to our advantage to sell all of the board you can either in carloads or in mixed carloads.

Very truly yours,

OAKFIELD GYPSUM PRODUCTS CORP

EMIL HANSEN

Secretary

EH:LR

11103

Government's Exhibit No. 357

OAKFIELD GYPSUM PRODUCTS CORP.
Plant at Oakfield, N. Y.

Address Reply to 300 W. Walter St
Utica, N. Y..

DEC. 17TH 1933.

FAIRMONT WALL PLASTER CO.,
Att. MR. J. R. SPEASE, Pres.,
Fairmont, W. Va:

DEAR SIR:

Confirming our recent conversation with regard to continuing our sales arrangement with you which has been in effect since Feb. 14th, 1933, we are pleased to state that we will enter into an agreement with you to furnish you our Neat Plaster and other materials, as outlined herein-after.

NEAT PLASTER:

We are pleased to furnish you from our Oakfield, N. Y. mill, our Neat Plaster put up in bags of your trade-mark furnished by you on the basis of the established market price to dealers, F.O.B. Cars our plant, in carload lots, less \$1.00 per ton allowance for your sacks. You will be invoiced at the established market price to dealers, F.O.B. Oakfield, N. Y., less 15% commission based upon the net price.

FREIGHT ABSORPTION:

When it is necessary to absorb a freight differential because of the Virginia Mills competition, we will absorb the same up to \$1.00 per ton, such absorption to be deducted from the established market price before figuring your commission. When it is necessary to absorb freight in excess of \$1.00 per ton, we will absorb one-half of the additional amount over \$1.00 per ton, you to absorb the other one-half. For example: With the present established market price of \$11.00 per ton at Norfolk, Va. where the differential is \$1.40 per ton in freight we will absorb \$1.20, making the mill base on today's price \$8.80 per ton. Your commission on this transaction would be \$1.32 per ton, which would reflect a net price to us of \$7.48 per ton. From your commission of \$1.32 per ton, you would be out 20¢ on freight absorption, so that this business would net you \$1.12 per ton.

You have our permission to operate and sell in any territory where, because of freight absorption as outlined in the preceding paragraph, or because of lower established market price, our net price would in no instance be less than \$5.50 per ton, exclusive of sacks, F. O. B. Cars Oakfield.

11104 TERMS:

2% cash discount, based upon F.O.B. Car prices at Oakfield, N. Y., same to be allowed for payment of invoices by the 10th of the following month, or 30 days Net.

If, at any time, the financial responsibility of either your Company or ours becomes impaired or unsatisfactory to either buyer or seller, it is mutually agreed your Company or ours has the right to require payments in advance, or satisfactory security or guarantee that invoices will be paid when due.

*DURATION OF CONTRACT:

It is mutually agreed that the contract shall be for a period of five years, beginning Dec. 17th, 1933, but may be cancelled by either party at the end of any year during the said period, by either party giving to the other party hereto, three months' written notice, prior to Dec. 17th of any year while contract is in force, of its intention to cancel the same. Said written notice to be given by mail at the last known address of the party, and this contract will not bind or enure to the benefit of any person, co-partnership or corporation other than the parties hereto and shall not bind or enure to the benefit of the heirs, successors, or assigns of either party to this contract.

MIXED CARLOAD SHIPMENTS:

We are pleased to quote you the present F.O.B. Car Oakfield, N. Y. prices, which prices are subject to price changes in accordance with general market conditions.

	per M. Sq. Ft
Gypsum Wall Board -----	\$27.00
Gypsum Plaster Board and Gypsum Lath -----	15.00
	per ton
Keene's Cement, in paper sacks -----	25.00
White Swan Plaster of Paris, in paper -----	16.50

FINISHING HYDRATED LIME:

We will be pleased to continue the present arrangement which we have with you of permitting you to purchase

direct, your Finishing Hydrated Lime, and warehouse the same at our Oakfield Mill, and for unloading and 11105 reloading charge you \$1.00 per ton.

Acceptance of this proposition, you will realize, puts your Company in a position to act, during the duration of the contract, as our selling agents, and as such, if this proposition is accepted; we shall expect you at all times to respect established market conditions, terms, customs, and ethics of the Gypsum Industry, of which we are a member.

This contract is prepared in duplicate. We have signed the original copy, and if you will sign in the blank space provided, we shall consider the contract immediately in force.

Yours very truly,

OAKFIELD GYPSUM PRODUCTS CORPORATION.

T P ELDRED

Treasurer

TPE/W

Accepted by FMT WALL PLASTER CO

Per J R SPEASE Pres.

Date DEC 18 1933

11106

Government's Exhibit No. 359

OAKFIELD GYPSUM PRODUCTS CORP.

Plant at Oakfield, N. Y.

*Address Reply to 728 Broad St.,
Utica, N. Y.*

APRIL 27TH, 1935.

FAIRMONT WALL PLASTER CO.,

Att. MR. SPEASE,

Fairmont, West Va.

DEAR MR. SPEASE:

I received a call this morning from the United States Gypsum Company, which made our wire to you, copy of which is enclosed, necessary.

I was informed that if the Paragon Companies and the American Hard Wall Plaster Company did not discontinue quoting Board on these Government inquiries, that the licensors were going to insist upon the licensees dis-

continuing selling to Oakfield at a discount. I sincerely regret that they have taken this action, but we must be obedient to their commands, because we could not afford, of course, to be placed in a position whereby Oakfield was unable to purchase Board so that we could resell it to Fairmont and our three Sanded Companies, as we have been doing. Since the objection was only filed on Government work, everything else will continue to function as it has in the past. I understand that the insulation people are assuming the same attitude.

Trusting that you will understand that we regret to have this rule put into effect, but know that it is a matter over which we have no control, we are, with kindest personal regards from the writer to you,

Yours very truly,

THE OAKFIELD GYPSUM PRODUCTS CORP.

T. P. ELDRÉD
Treasurer

TPE.W

11107

Government's Exhibit No. 360

SATURDAY, JULY 23RD 1938.

MR. M. H. BAKER, *President,*
National Gypsum Company,
Buffalo, New York.

MY DEAR MR. BAKER:

Some weeks ago I visited your new board plant at Mobile which looks like a very fine outlay. This suggested to me that you may have changed your policies since you told me back in 1929 that you could not sell us plaster and board. We still have some business here but are very much handicapped because we do not have plaster board.

Now that the patent on the folded edge has expired, would you be willing to ship us plaster and board in mixed cars and allow us commission to reimburse us for our efforts? We are quite sure that we can give you some tonnage and that an arrangement of this kind would work out to our mutual advantage.

With kind regards I beg to remain,

Very truly yours,

FAIRMONT WALL PLASTER COMPANY,

President.

JRS/sy

11108

Government's Exhibit No. 361

NATIONAL GYPSUM COMPANY
General Offices
BUFFALO, N. Y.

JULY 26, 1938

MR. J. R. SPEASE

*Fairmont Wall Plaster Co.
Fairmont, W. Va.*

DEAR MR. SPEASE:

I was very happy to get your letter of the 23rd and to know that you are interested in our business.

The Mobile plant is now in full operation and we are shipping a wonderful product from that mill. I do not know what your position is on insulation but would suggest that you work out any reasonable program you can with our Sales Department as here is something you can sell.

The folded edge patent on wallboard has expired but there were other important patents in the group which have acted to extend the license agreement for about fifteen years yet. Consequently we cannot make any jobber discounts on this product.

I hope you will find other items in our line on which you can see prospects for making money with us.

With kind personal regards.

Very truly yours,

M. H. BAKER

President

MP

11109

Government's Exhibit No. 362.

This Agreement, Made and entered into this 29th day of April, A.D. 1937, by and between United States Gypsum Company, an Illinois corporation, of Chicago Illinois (hereinafter referred to as "Gypsum"), Kelley Plasterboard Company, Inc., a New Jersey corporation, of Delawareanna, New Jersey (hereinafter referred to as "Kelley"), and Newark Plaster Company, a New Jersey corporation, of Newark, New Jersey (hereinafter referred to as "Newark"), witnesseth that:

Whereas, Gypsum and Kelley are parties to certain license agreements dated April 23, 1930 (as supplemented by letter from Gypsum to Kelley dated June 18, 1930) and October 12, 1934, and

Whereas, negotiations are now pending for the purchase by Newark of all of the outstanding shares of the capital stock of Kelley, and

Whereas, Newark, before consummating the purchase of the stock of Kelley as aforesaid, desires to determine the present status of said license agreements and the extent of the existing obligations and liabilities of Kelley thereunder;

Now, therefore, in consideration of the sum of 11110 One Dollar and other good and valuable considerations each to the other in hand paid, receipt whereof is hereby acknowledged by each of the parties hereto, and in consideration of the mutual covenants and agreements herein contained, the parties hereto agree as follows:

1. Gypsum represents that it has examined Kelley's books of account and records, or an audit thereof made for the purposes of said license agreements, up to and including December 31, 1935, and agrees to and does hereby waive all breaches by Kelley of the terms and provisions of said license agreements, if any, occurring on or before December 31, 1935. Gypsum has not at the date hereof examined Kelley's books of account and records, or an audit thereof made for the purposes of said license agreements, for any period subsequent to December 31, 1935, but represents that at the date hereof it has no actual knowledge of any breach by Kelley of the provisions of said license agreements occurring subsequent to December 31, 1935, subject, however, to royalty payments due for operations under said license agreements subsequent to February 28, 1937. Gypsum further represents and certifies that said license agreements are now in full force and effect.

2. Gypsum, insofar as it may be affected by such transaction, consents to the sale and transfer to Newark by the stockholders of Kelley of all of the capital stock of Kelley, and agrees that such transaction shall not be construed or deemed to be a breach of or a default under said license agreements or either of them.

11111 3. Nothing herein contained shall be deemed to give Newark any rights or privileges of any kind or nature under said license agreements or either of them, or to constitute a waiver by Gypsum of any of the agreements, covenants or conditions contained therein, or a waiver by Gypsum of any breach by Kelley of the terms and provisions of said license agreements except as specifically provided herein. Without in any way limiting the generality of the foregoing, it is expressly agreed that any sale by Newark or by any subsidiary or affiliated company, of materials or products manufactured or sold by Kelley and embodying any of the inventions and improvements which are covered by or included within the provisions of said license agreements, or either of them, and any dealings of any kind in any such materials or products by Newark or by any subsidiary or affiliated company, shall, at the option of Gypsum, be deemed to be the act of Kelley for all purposes of said license agreements; PROVIDED, HOWEVER, that nothing herein contained shall be deemed or construed to give Kelley the right to sell or otherwise dispose of such materials or products in any way to Newark, except upon the prior written consent of Gypsum as provided in said license agreements.

4. This agreement shall not be effective or become binding upon the parties hereto or any of them for any purpose whatever unless and until the aforesaid 11112 sale of the capital stock of Kelley to Newark is consummated. In the event such sale is consummated, this agreement shall thereupon be and become binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, but nothing in this paragraph shall be construed to permit an assignment by Kelley of any rights arising under said license agreements except as specifically provided in such agreements.

IN WITNESS WHEREOF, the parties hereto have caused their corporate seals to be hereto affixed, attested by their Secretaries, and these presents to be signed by their duly authorized officers the day and year first above written.

UNITED STATES GYPSUM COMPANY

By W. L. KEADY
Vice President

6032

ATTEST:

C. H. THAYER
Secretary

[SEAL]

KELLEY PLASTERBOARD COMPANY, INC.

By S. J. KELLEY,
President

ATTEST:

LOUIS LEFELAR
Treasurer

[SEAL]

NEWARK PLASTER COMPANY

By FREDERICK TOMKINS
President

ATTEST:

FRANKLIN H. MILES
Ass't Secretary

[SEAL]

11113

Government's Exhibit No. 363

THIS INDENTURE, Made this 16th day of December, A.D. 1938, between the KELLEY PLASTERBOARD COMPANY, INC., a New Jersey corporation, of Delawanna, New Jersey, Party of the First Part, and NEWARK PLASTER COMPANY, a New Jersey corporation, of Newark, New Jersey, Party of the Second Part, witnesseth, that

Whereas, by license agreement dated April 23, 1930 (as supplemented by letters from the United States Gypsum Company to First Party, dated June 18, 1930, and August 31, 1938), and made between the United States Gypsum Company, an Illinois corporation, of Chicago, Illinois, the licensor, of the one part, and Kelley Plasterboard Company, Inc., the licensee, of the other part, said licensor granted unto said licensee certain indivisible and non-exclusive rights, licenses and privileges under certain letters patent and applications for letters patent relating to the manufacture and sale of gypsum plasterboard and gypsum wallboard, as more specifically described and set forth in said license agreement; and

Whereas, Newark Plaster Company, a New Jersey corporation, of Newark, New Jersey, and said Kelley Plasterboard Company, Inc., are about to effect a merger under and pursuant to the provisions of the New Jersey General Corporation Law, under the corporate name of Newark Plaster Company; and

Whereas, it is provided in said license agreement 11114 that the license therein granted shall be personal to licensee and that the same, or any right therein or thereunder, shall not be sold or assigned or transferred without the written consent of licensor, or transferred by operation of law, provided that the same may be assigned by licensee to any company acquiring all the assets and business or all the capital stock of licensee, on condition that licensee shall first obtain an agreement in writing from any such assignee, agreeing to assume all of the obligations of licensee thereunder and to be bound by all of the terms and conditions thereof, and shall deliver such agreement to licensor.

NOW, THIS INDENTURE WITNESSETH, That in consideration of the sum of One Dollar (\$1.00), and other good and valuable considerations, receipt whereof is hereby acknowledged, First Party does hereby assign, transfer and set over unto the said Newark Plaster Company resulting from the merger of Newark Plaster Company, a New Jersey corporation, of Newark, New Jersey, and Kelley Plasterboard Company, Inc., a New Jersey corporation, of Delawanna, New Jersey, effective however as of the date on which said merger shall become effective, all of the right, title and interest of First Party in and to said license agreement and the rights, licenses and privileges therein contained, upon and subject to all of the conditions, terms, and agreements as in said license agreement set forth.

11115 The parties agree that the Newark Plaster Company resulting from said merger shall assume all of the obligations of licensee under said license agreement, and shall be bound by all of the terms and conditions thereof to the same effect as if it originally had been named in said license agreement as licensee therein.

In witness whereof, the parties hereto have caused these presents to be signed by their respective Presidents, attested by their respective Secretaries, and their corporate

6034

seals to be hereunto affixed, in duplicate, the day and year first above written.

KELLEY PLASTERBOARD COMPANY, INC.

By VINCENT S. VILLARD
Vice President.

ATTEST:

F. H. MILES
Ass't. Secretary.

[SEAL]

NEWARK PLASTER COMPANY

By FREDERICK TOMKINS
Its President.

ATTEST:

CALVIN TOMKINS, JR.
Secretary.

[SEAL]

11116

-Government's Exhibit No. 364

This Agreement, Made and entered into this 3rd day of January, A.D. 1939, by and between the UNITED STATES GYPSUM COMPANY, an Illinois corporation, of Chicago, Illinois (hereinafter sometimes referred to as "Gypsum"), and NEWARK PLASTER COMPANY, a New Jersey corporation, of Newark, New Jersey, resulting from the merger of Newark Plaster Company, a New Jersey corporation, of Newark, New Jersey, and Kelley Plasterboard Company, Inc., a New Jersey corporation (hereinafter sometimes referred to as "Newark"), witnesseth, that

Whereas, Gypsum and said Kelley Plasterboard Company, Inc., entered into a certain license agreement dated April 23, 1930 (as supplemented by letters from Gypsum to Kelley dated June 18, 1930, and August 31, 1938), under the terms of which Gypsum, as licensor therein named, granted to said Kelley Plasterboard Company, Inc., as licensee therein named, certain indivisible and non-exclusive rights, licenses and privileges under certain letters patent and applications for letters patent relating to the manufacture and sale of gypsum plasterboard and gypsum wall-board, as therein more specifically described and set forth; and

Whereas, said Newark Plaster Company existing before said merger and said Kelley Plasterboard Company, Inc., have effected a merger in accordance with the provisions of the New Jersey General Corporation Law, under 11117 the corporate name of Newark Plaster Company, and said Kelley Plasterboard Company, Inc. has assigned, transferred and set over unto Newark, all of its right, title and interest in and to said license agreement and the rights, licenses and privileges therein contained, upon and subject to all of the conditions, terms and agreements as in said license agreement set forth; and

Whereas, it is provided in said license agreement that the licenses therein granted shall be personal to licensee and that the same, or any right therein or thereunder, shall not be sold or assigned or transferred without the written consent of licensor, or transferred by operation of law, provided that the same may be assigned by licensee to any company acquiring all of the assets and business or all of the capital stock of licensee, on condition that licensee shall first obtain an agreement in writing from any such assignee, agreeing to assume all of the obligations of licensee under said agreement and to be bound by all of the terms and conditions thereof, and shall deliver such agreement to licensor,

Now, therefore, in consideration of the sum of One Dollar (\$1.00), and other good and valuable considerations, each to the other in hand paid, receipt whereof is hereby acknowledged by each of the parties hereto, and in consideration of the mutual covenants and agreements herein after contained, the parties hereto have agreed as 11118 follows:

1. Gypsum consents to the assignment to Newark of the said license agreement, together with all of the rights, licenses and privileges therein contained, subject to all of the conditions, terms and agreements as in said license agreement set forth,

2. Newark agrees to, and does hereby, assume all of the obligations of licensee under said license agreement, and agrees to be bound by all of the terms and conditions thereof to the same effect as if Newark originally had been named in said license agreement as licensee therein.

3. In case Newark shall at any time sell any gypsum plasterboard or gypsum wallboard, or cause the same to be sold, through or by any of its wholly owned subsidiaries, then Sections 6 and 7 of said license agreement shall be read as if the words "or sold by its wholly owned subsidiary" were inserted after the words "sold by it", wherever such last mentioned words appear in said Sections 6 and 7 of said license agreement, and as if the words "or its wholly owned subsidiary" were inserted after the words "of licensee" in the third line of said Section 7 of said license agreement. The sales or acts of any such subsidiary shall for all purposes, of said license agreement be construed as the sales or acts of Newark as such licensee, and Newark shall be fully responsible therefor. Nothing herein contained shall be construed to grant any license under said patents to any wholly owned subsidiary 11119 of Newark, or to authorize the sale of gypsum plaster board or gypsum wallboard embodying the inventions and improvements set forth and claimed in any of said patents to or by any such subsidiary, without the written consent of Gypsum thereto first had and obtained.

In witness whereof, the parties hereto have caused these presents to be signed by their respective Presidents, attested by their respective Secretaries, and their corporate seals to be hereunto affixed, in duplicate, the day and year first above written.

UNITED STATES GYPSUM COMPANY

By W. L. Keady
Vice President.

[SEAL]

ATTEST:

C. H. Thaver
Secretary.

NEWARK PLASTER COMPANY

By Frederick Tomkins
Its President.

[SEAL]

ATTEST:

F. H. Miles
Asst Secretary.

11120

Government's Exhibit No. 365

JANUARY 3, 1939.

NEWARK PLASTER COMPANY. (*A Merged Corporation*),
Newark, New Jersey.

GENTLEMEN:

This will advise you that under your license of April 23, 1930, and until you are notified to the contrary, you have our consent to sell through your wholly owned subsidiary, Calvin Tomkins Company, a New York corporation, of New York, New York, gypsum plasterboard or gypsum wallboard embodying the inventions and improvements set forth and claimed in the patents covered by your said license, which includes the right to effect sales of said gypsum plasterboard or gypsum wallboard to your said wholly owned subsidiary at a maximum discount of twelve and one-half per cent ($12\frac{1}{2}\%$) from your regular price to your dealer trade f.o.b. mill.

It is understood that the acts of your wholly owned subsidiary shall constitute your acts as such licensee, and that you shall be fully responsible therefor.

For the purpose of computing license fees or royalties under your said license, such license fees or royalties on all gypsum plasterboard or gypsum wallboard sold to your said wholly owned subsidiary shall be based upon your regular selling price to your regular dealer trade at the time of the sale and invoice as provided in said license agreement.

It is agreed that this consent may be withdrawn by us at any time, by giving you written notice to that effect.

If satisfactory, please sign and return the duplicate of this letter, indicating your acceptance thereof, whereupon this consent shall become effective.

Very truly yours,

UNITED STATES GYPSUM COMPANY

By W. L. KEADY
Vice-President

ACCEPTED, this 3rd
day of January, 1939.

NEWARK PLASTER COMPANY (*A Merged Corporation*)
By FREDERICK TOMKINS Pres.

6038

11121

Government's Exhibit No. 366

JULY 8, 1937

UNITED STATES GYPSUM Co.,
300 West Adams Street,
Chicago, Ill.

Att. Mr. W. L. Keady, Vice-President.

DEAR SIR:

In conformity with our Licensee Agreement with you, we hereby apply for permission to sell Wallboard, Plasterboard and/or Lath to The Connecticut Adamant Plaster Co., New Haven, Connecticut, at the regular Calciners discount of $12\frac{1}{2}\%$ on Plasterboard and/or Lath and 15% on Wallboard. The above discounts to apply on the f.o.b. mill base prices.

Kindly let us hear from you as promptly as possible and oblige,

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.,

G. A. WILEMAN.

GAW:CAB.

11122

Government's Exhibit No. 366-A

JULY 16, 1937.

MR. FRED TOMPKINS, President,
Kelley Plasterboard Co., Inc.
Delawanna, New Jersey.

DEAR MR. TOMPKINS:

We acknowledge receipt of your letter of July 8, returning two copies of License Agreement, covering Patented Perforated Plaster Board Lath. We are returning herewith one copy, duly executed by this company.

With regard to your sale to other manufacturers, jobbers, or wholesalers, this will advise you that until you are notified to the contrary, you have our consent to sell Patented Perforated Plasterboard Lath, embodying the claims and inventions of the patents described in the license to the Oakfield Gypsum Products Company, and the

Connecticut Adamant Plaster Company, at a maximum discount of 12½% from the mill price, which will, of course, not be less than the mill prices set forth in our license bulletin #1. The royalty on such sales shall be based on your regular selling price to our regular dealer trade at the time of such sale and invoice as provided in our license agreement with you.

We assume that these are the manufacturers you desire to sell. If there are any others, we will consider an additional request with reference to them. However, we would rather not give a blanket approval for you to sell Perforated Lath to manufacturers, jobbers, or wholesalers to whom you sell regular Patented Board, as conditions and circumstances differ from time to time.

Yours very truly,

UNITED STATES GYPSUM COMPANY,

Vice-President.

11123

Government's Exhibit No. 367

JULY 14, 1937

MR. FRED TOMPKINS, *President*
Kelley Plasterboard Co., Inc.
Delawanna, New Jersey

DEAR MR. TOMPKINS:

Referring to your letter of July eighth, this is to advise you that until you are notified to the contrary, you have our consent to sell regular patented gypsum wallboard and/or plasterboard embodying the claims and inventions of our patents to the Connecticut Adamant Plaster Company, New Haven, Connecticut, at the following maximum discounts from f.o.b. mill prices listed in Board License Bulletin No. 1:

Wallboard	15%
Plasterboard	12½%

The royalty on all such sales shall be based upon your regular selling price to your regular dealer trade at the time of such sale and invoice, as is provided by our license agreement with you.

Very truly yours,

UNITED STATES GYPSUM COMPANY

Vice-President

6040

11124

Government's Exhibit No. 368

JULY 21, 1937.

MR. W. L. KEADY, Vice-President,
*United States Gypsum Co.,
300 West Adams Street,
Chicago, Ill.*

DEAR BILL:

This will acknowledge receipt of your letter of July 16th, together with the License Agreement covering the manufacture and sale of Perforated Plaster Board Lath.

We desire your consent to sell this material to the Structural Gypsum Division, of the American Cyanamid & Chemical Co., as well as to the Oakfield Gypsum Products Co. and the Connecticut Adamant Plaster Co., which you cover in your letter of July 16th.

Under date of December 24th, 1932 you gave your consent to us to sell Wallboard and Plasterboard to the Structural Gypsum Co.

Will you please confirm this to us so that our records will be complete.

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.,

FREDERICK TOMKINS,
President.

FT:CAB.

11125

Government's Exhibit No. 368-A

JULY 26, 1937

MR. FREDERICK TOMKINS, President,
*Kelley Plasterboard Company, Inc.
Delawanna, New Jersey.*

DEAR MR. TOMKINS:

We have your letter of July 21st, requesting consent to sell Perforated Plasterboard Lath to the Structural Gypsum Division of the American Cyanamid & Chemical Company. This pertains to license agreement dated June 23, 1937.

Until advised to the contrary you have our consent to sell patented Perforated Plaster Lath, embodying the claims and inventions of the patents described in the license, to the Structural Gypsum Division of the American Cyanamid & Chemical Company. The maximum discount will be 12½% from the mill price, which will of course not be less than the mill prices set forth in our license bulletin No. 1.

Yours very truly,

WLK:DM

Vice President

11126

Government's Exhibit No. 369

KELLEY PLASTERBOARD Co., INC.
Manufacturers and Distributors of Building Materials
 DELAWARE, N. J.

SEPTEMBER 23, 1938.

UNITED STATES GYPSUM Co.,
 300 West Adams Street,
 Chicago, Illinois.

Attention: Mr. W. L. Keady.

GENTLEMEN:

We request your consent to sell both Perforated and Plain Plasterboard Lath manufactured under our license agreement with you to the following manufacturers:

- Structural Gypsum Company, Linden, New Jersey.
- Connecticut Adamant Company, New Haven, Connecticut.

Yours very truly,

KELLEY PLASTERBOARD Co., INC.

FREDERICK TOMKINS

President.

FT:DN

6042

11127

Government's Exhibit No. 369-A

KELLEY PLASTERBOARD CO., INC.
Manufacturers and Distributors of Building Materials
DELAWANNA, N. J.

SEPTEMBER 23, 1938.

UNITED STATES GYPSUM CO.,
300 West Adams Street,
Chicago, Illinois.

Attention: Mr. W. L. Keady.

GENTLEMEN:

We enclose herewith copy of your letter to us of September 16th, which we have accepted, and in which you grant to us the right to use certain of your Letters Patent without the payment of additional royalties or license fees.

We are not entirely clear as to the meaning of the first paragraph on the second page. Consequently, we enclose also a request for your consent for us to sell the Lath referred to in your letter, to Structural Gypsum Company and Connecticut Adamant Company at the regular manufacturer's discounts. We already have your consent to sell other board products to these companies.

We are contemplating the liquidation of Kelley Plasterboard Company as of the end of this year. In this event, we will want to transfer all license agreements between your Company and the Kelley Plasterboard Company to Newark Plaster Company. As you know, Kelley Plasterboard Company is a wholly owned subsidiary of Newark Plaster Company. In the event we effect the liquidation of the Kelley Plasterboard Company and transfer the license to Newark Plaster Company, all products manufactured under this license will be sold and billed by the Calvin Tomkins Company, which is also a wholly owned subsidiary of the Newark Plaster Company. The Calvin Tomkins Company will not purchase any products from Newark Plaster Company and will act simply as a selling agency.

Will you kindly let us hear from you in connection with these matters at your earliest convenience?

Yours very truly,

KELLEY PLASTERBOARD CO., INC.

FREDERICK TOMKINS
President.

FT:DN

11128

Government's Exhibit No. 369-B

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

SEPTEMBER 16, 1938

KELLEY PLASTERBOARD CO., INC.

*Delawanna
New Jersey*

GENTLEMEN:

In view of the fact that perforated plasterboard lath, which also embodies the claims of the patents contained in our original board license, has attained such importance and constitutes a large volume of the board manufactured and sold thereunder, we have decided to grant to you as one of our board licensees the right to use our U. S. Letters Patent No. 1,938,354 in the manufacture and sale of plasterboard without the payment of additional royalties or license fees, the same as if such patent were listed in Exhibit A of our original board license, upon the terms and conditions hereinafter set forth.

You are therefore granted an indivisible and non-exclusive license to manufacture at your plants perforated plasterboard lath having a gypsum core and paper covering adhering thereto, embodying the claims of Letters Patent of the United States No. 1,938,354 and of selling and using the same in the United States of America and the territories and possessions thereof, subject to the terms and conditions hereinafter set forth.

It is understood that nothing herein contained shall give you the right to use any of our other patents, or change or alter in any way the terms of your original board license agreement of April 23, 1930, it being understood that your only right to manufacture and sell gypsum plasterboard and/or gypsum wallboard, including perforated plasterboard lath, embodying the claims of any of the patents set forth and described in Exhibit A of your said original board license agreement is under and in accordance with the terms and conditions of said last mentioned agreement.

It is of course understood that all perforated plasterboard lath manufactured and sold by you shall be included

in computing your royalties or license fees under your said original board license agreement and you will make reports of your manufacture and sale thereof and we shall have the right to inspect books of account and records, in the same manner and to the same extent as set forth in said original board license agreement.

11129 You are not to manufacture any of said lath for or to sell the same to another manufacturer or to any manufacturer or distributor selling plaster or gypsum products as a manufacturer, or to deliver any of said lath to any person or company on consignment, or to sell any of the same of inferior manufacture, commonly known as "seconds."

You will mark all such patented lath "Licensed under United States Letters Patent No. 1,938,354".

You will not assign this license without our written consent, nor shall the same or any right hereunder be transferred by operation of law or otherwise.

This license may be cancelled or terminated by either party hereto upon giving to the other party hereto one (1) year's written notice of cancellation or termination thereof. Any such notice shall become effective upon depositing the same in the United States mails, postage prepaid and registered, addressed to you at your principal office in Delawanna, New Jersey, or to us at our principal office, 300 West Adams Street, Chicago, Illinois.

Your perforated plasterboard lath license agreement dated June 23, 1937, shall become cancelled and terminated upon the acceptance of this letter by you, provided, however, that neither party shall thereby be relieved of any liability thereunder accrued prior to September 1, 1938.

This license shall become effective as of September 1, 1938, when accepted by you in writing.

If satisfactory, please sign the duplicate copy of this letter indicating your acceptance thereof and return the same to us.

Yours very truly,

UNITED STATES GYPSUM COMPANY

O. M. KNODE,
President

ACCEPTED, this — day of
_____, 1938.

KELLEY PLASTERBOARD CO., INC.
By _____

11130

Government's Exhibit No. 370

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO.

OCTOBER 3, 1938

KELLEY PLASTERBOARD Co., INC.
Delawanna, New Jersey.

DEAR SIRs:

This will advise you that under your license of September 16, 1938, and until you are notified to the contrary, you have our consent to sell to Structural Gypsum Company and Connecticut Adamant Plaster Company perforated plasterboard lath embodying the inventions and improvements set forth and claimed in the patents covered by your board license agreements, at a maximum discount of 12½% from your regular price f.o.b. mill.

For the purpose of computing license fees or royalties under your board license agreement of April 23, 1930, such license fees or royalties shall be based upon your regular selling price to your regular dealer trade at the time of the sale and invoice, as provided in said license agreement.

It is agreed that this consent may be withdrawn by us at any time by giving you written notice to that effect.

This consent cancels and terminates all prior consents given by us to you to sell patented perforated plasterboard lath to other manufacturers.

If satisfactory, please sign and return the duplicate of this letter, indicating your acceptance thereof, whereupon this consent shall become effective.

Yours very truly,

UNITED STATES GYPSUM COMPANY

W. L. KEADY,
Vice-President

WLK:DM

ACCEPTED this sixth day
of October, 1938.

KELLEY PLASTERBOARD Co., INC.

By FREDERICK TOMKINS

6046

11131

Government's Exhibit No. 370-A

OCTOBER 3, 1938

KELLEY PLASTERBOARD CO., INC.
Delawanna, New Jersey.

DEAR SIRs:

We acknowledge receipt of your favor of September 23, enclosing copy of our letter of September 16, 1938, accepted and signed by the Kelley Plasterboard Co., Inc. on September 23, 1938. We preferred that you sign the carbon copy of the original letter, but are accepting your copy signed by you in lieu thereof.

The first paragraph on page 2 of the letter of September 16 was intended to make it clear that the license did not include the right to manufacture for or to sell to another manufacturer or distributor of gypsum products. We of course can consent at any time to your selling another manufacturer or distributor upon such terms and conditions as seen proper to us.

As to your request for consent to sell the patented lath to Structural Gypsum Company and Connecticut Adamant Plaster Company at regular manufacturer's discounts, we are glad to do so upon the terms and conditions as set forth in the enclosed form of consent, the duplicate copy of which please sign and return to us.

We note your intention to liquidate Kelley Plasterboard Company at the end of the year. We shall be glad to consent to the assignment of your license agreements to the Newark Plaster Company, or to grant to the Newark Plaster Company new licenses in lieu of the old license agreements, whichever our attorneys advise us at the time is the best way to handle the matter. Your advice that all products manufactured by Newark under such licenses will be sold and billed by Calvin Tomkins Company, a wholly owned subsidiary, raises a question which should be referred to our attorneys for advice based on all of the facts existing at the time you are ready to change the licenses over to Newark Plaster Company. We shall be glad at that time to ask our attorneys to look into the matter and advise us what our position should be as licensor.

Very truly yours,

UNITED STATES GYPSUM COMPANY

WLK:DM

Vice-President

11132

Government's Exhibit No. 371

KELLEY PLASTERBOARD Co., INC.
Manufacturers and Distributors of Building Materials
DELAWANNA, N. J.

SEPTEMBER 21, 1936.

MR. CHARLES F. HENNING, Vice-President,
United States Gypsum Co.,
30 Rockefeller Plaza,
New York City.

DEAR MR. HENNING:

You are aware that we sell Gypsum Board and Lath to Oakfield Gypsum Co. and the Structural Gypsum Co., and inasmuch as it is our desire that they be immediately posted of any price changes, we would appreciate it very much if you would send them copies of Licensee Bulletins, or if you do not care to do this if you would be kind enough to send us extra copies so that we can forward them to our customers and thereby immediately post them of any changes which take place. By doing so you would save us the trouble of making copies of bulletins and eliminate any possibility of error in transposition.

Awaiting an early reply we remain,

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.,

S. J. KELLEY,
Pres.

SJK:CAB.

11133

Government's Exhibit No. 372

JUNE 7, 1937.

PARAGON PLASTER & SUPPLY Co.,
Scranton,
Pa.

GENTLEMEN:

We are enclosing a copy of our price list eliminating Berks and Lancaster Counties, Pa. and Delaware, Greene and Columbia Counties, New York, from the trucking area on Gypsum Board.

6048

The prices as shown for these respective Counties are still the prices which apply when delivered by carload, mixed car or pool carload lots only; minimum quantity 7500 sq. ft.

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.,

G. A. WILEMAN.

GAW:CAB.

11134

Government's Exhibit No. 373

JUNE 7, 1937.

STRUCTURAL GYPSUM DIVISION,
*American Cyanamid & Chemical Corp.,
30 Rockefeller Plaza,
New York City.*

Att: Mr. Kugler.

GENTLEMEN:

We are enclosing a copy of our price list eliminating Berks and Lancaster Counties, Pa. and Delaware, Greene and Columbia Counties, New York, from the trucking area on Gypsum Board.

The prices as shown for these respective Counties are still the prices which apply when delivered by carload, mixed car or pool carload lots only; minimum quantity 7500 sq. ft.

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.,

G. A. WILEMAN.

GAW:CAB.

11135

Government's Exhibit No. 374

APRIL 2, 1938

OAKFIELD-GYPSUM CORPORATION
Syracuse
New York

GENTLEMEN:

In some places on March 28th and in others on April 25th, a general freight increase goes into effect, which increases the delivered price of plasters and board. At the moment, I do not know just how much this will affect various items at the different destinations, and, until such a time as we can advise positively, would suggest that, if you do not know the new price, you take orders subject to a slight increase in price due to this freight raise.

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.,
G. A. WILEMAN.

GAW . . LH

6050

11136

Government's Exhibit No. 375

This is an Itemized List of Materials Being Delivered on this Shipment.
Invoice Will Follow. Claims or Shortages Must be Reported Immediately.

KELLEY PLASTERBOARD COMPANY, Inc.

Manufacturers and Distributors

Building Materials

Delawanna, N. J., Sept. 27, 1937

E 3038

Delivered to: United Clay Products Co.

Address: University Station, Washington, D. C.

Charge to: Oakfield Gypsum Prod. Corp.

B & O dely

Address: 728 Broad St., Utica, N. Y.

Driver or Car No.: D L & W 45747

Quantity	Description	Tons	Price	Extension
938 Bds	3/4"—16x48 Oakleaf Lath 30016 sq. ft. @ 14.96M			449.04
	Less 12 1/4% on 13.00 base			48.78
				400.26
	Less ft. 41022 #	.19 cwt		77.94
				322.32

Entered Sep. 27 1937

Return of Merchandise Not Accepted Unless Authorized by Office.

Received by:

Office Voucher

2% 10 days on net after ft.

11137

Government's Exhibit No. 375-A

Date: Sept. 27/37

Consignee: United Clay Products Co.

Car No.: D L & W 45747

Seal No.: 964280-1

11138 *Government's Exhibit No. 375-B*

United Clay Products Co., Washington D. C.

D L & W 964280-1

Sept 27-1937

938 Bdls. $\frac{3}{8}$ "—16x48

Oakleaf Lath

11139 *Government's Exhibit No. 375-C*

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

DELAWANNA, N. J.

September 27, 1937

Oakfield Gypsum Products Corp.,
728 Broad Street,
Utica, N. Y.

Shipped to: United Clay Products Co.

Freight Station: University Station,
Washington, D. C.

Routing: B & O Daly.

Car No.: DL&W 45747

Salesman: F. T.

Date Shipped:

Your Order No.:

2%—10 days on net after freight

F.O.B. Destination

TERMS: Discounts to Apply on Mill Price after Deducting Freight

Ticket No.	Quantity	Commodity	Price
E 3038	938 bdls.	$\frac{3}{8}$ "—16x48 Oakleaf Lath—30016 sq. ft. @	14.96M
			449.04
		Less 12 $\frac{1}{2}$ % on 13.00 base.....	48.78
			400.26
		Less Freight:—41022# @ .19 cwt.	77.94
			322.32

6052

11140

Government's Exhibit No. 375-D

OAKFIELD GYPSUM PRODUCTS CORP.

728 Broad St.

UTICA, N. Y.

Order No. 2399

Sept. 27, 1937.

To: Kelley Plasterboard Co., Inc.

Delawanna, N. J.

Ship to: The United Clay Products Co.
University Station, Washington, D. C.

Via B&O Delivery.

Send Bill of Lading Showing Weight and Rate of Freight

1 Minimum Carload Oakleaf Plain Gypsum Lath, 3/8", 16x48"

Rush Shipment.

Confirming Telephone to Mr. G. A. Wileman.

Yours truly,

Oakfield Gypsum Products Corp.

Per A. M. D. (A. M. Dunn)

Shipped attach to 9/27

Mail B/L or shipping receipt immediately. This will identify shipments on arrival and help us to expedite delivery.

IMPORTANT! Acknowledge Receipt of this order, giving exact date shipment will be made.

If material ordered is for ourselves at Oakfield, N. Y., invoice should be rendered in duplicate.

6053

11141

Government's Exhibit No. 376

This is an Itemized List of Materials Being Delivered on this Shipment.
Invoice Will Follow. Claims or Shortages Must be Reported Immediately.

KELLEY PLASTERBOARD COMPANY, Inc.

Manufacturers and Distributors

Building Materials

E 5892

Delawanna, N. J., Dec. 10, 1937.

Delivered to: United Clay Products Co.

Address: University, D. C.

B&O dely.

Charge to: Oakfield Gypsum Products Corp.

Address: 728 Broad St. Utica

Car No.: D L & W 47415

Quantity	Description	Tons	Price	Extension
625 Bdl. 3/8"—16x48 1 Oakleaf Lath, 20,000 sq. ft. @		15.07	301.40	
Less 12 1/2 % on 13.00 base.....			32.50	268.90
313 Bdl. 3/8"—16x48 Oakleaf Perforated Lath 10016 sq. ft. @		15.32	153.45	
Less 12 1/2 % on 13.25 base.....			16.59	136.86
				405.76
Less ft. 41016# @ .19 cwt.....				77.93
				327.83

Returns of Merchandise Not Accepted Unless Authorized by Office.

Received by:

Office Voucher

Entered Dec 10 1937

2% 10 days on net after ft.

11142

Government's Exhibit No. 376-A

Utica, N. Y.

Ship today United Clay Products Co., University, D. C. B&O
delivery, minimum carload oakleaf 16x48 containing 2/3 car
Plain and 1/3 car Perforated.

Oakfield

625 Bdl. Plain 20,000 ft.

313 Bdl. Perf. 10,016 ft.

6054

11143

Government's Exhibit No. 376-B

UNITED CLAY PRODUCTS CO.

UNIVERSITY, D. C.

D. L. & W. 196008-9

Dec. 10, 1937.

625 Bdls. 3/8"—16x48 Oakleaf Lath

313 Bdls. 3/8"—16x48 Oakleaf Perforated Lath

11144

Government's Exhibit No. 376-C

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

DELAWANNA, N. J.

December 10th, 1937.

Oakfield Gypsum Products Corp.,
728 Broad Street
Utica, N. Y.Shipped to: United Clay Products Co.,
University, D. C.

Routing: D. L. & W.

Car No.: 47415

Salesman: F. T.

Date Shipped:

Your Order No.:

F.O.B.: Your yard

Terms: Discounts to apply on mill price
after deducting freight
2%—10 days on net after freight

Ticket No.	Quantity	Commodity	Price
E 5892	625 Bdls.	3/8"—16x48 Oakleaf Lath	
		20,000 sq. ft. 15.00 M	301.40
		Less 12½% on 13.00 base	32.50
			268.90
	313 Bdls.	3/8"—16x48 Oakleaf Perforated Lath	
		10,016 sq. ft. 15.32 M	153.45
		Less 12½% on 13.25 base	16.59
			136.86
			405.76
		Less Freight—41,016 lbs. .19 cwt.	77.93
			327.83

11145

Government's Exhibit No. 377

This is an Itemized List of Materials Being Delivered on this Shipment.
Invoice Will Follow. Claims or Shortages Must be Reported Immediately.

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

Delawanna, N. J., Nov. 18, 1937.

E 5123

Delivered to: Geo. H. Robinson & Sons

Address: Alexandria, Va.

Charge to: Oakfield Gyp. Prod. Corp.

R. F. & P. dely.

Address: 300 W. Water St., Syracuse, N. Y.

Driver or
Car No.: D. L. & W. 45490

Quantity	Description	Tons	Price	Extension
#319				
469 Bdls.	3/8"—16x48 Oakleaf Lath 15008 ft. @ 15.07	226.17		
	Less 12 1/2% on \$13.00 base.....	24.39		201.78
469 Bdls.	3/8"—16x48 Oakleaf Perf. Lath— 15008 ft.@ 15.32	229.92		
	Less 12 1/2% on \$13.25 base.....	24.86		205.06
				406.84
	Less ft. 41022 # @			90.25
				316.59

Entered Nov 18 1937

Returns of Merchandise Not Accepted Unless Authorized by Office.

Received by:

Office Voucher

2% 10 days on net after ft.

11146

Government's Exhibit No. 377-A

Date: Nov. 18, 1937.

Consignee: Alexandria & Sons

Car No.: D. L. & W. 45490

Real Nos.: 964480-1

6056

11147

Government's Exhibit No. 377-B

OAKFIELD GYPSUM PRODUCTS CORP.

300 West Water Street

Order No. 319

Syracuse, N. Y., Nov. 9, 1937

To: Kelley Plasterboard Co., Delawanna, N. J.

Ship to: George H. Robinson & Sons, Alexandria, Va.

Via RF&P

Send Bill of Lading Showing Weight and Rate of Freight

1/2 Car Oakleaf 3/8" Plaster Lath—Standard

1/2 Car Oakleaf 3/8" Plaster Lath—Perforated

Shipment to be made previous to increase in Freight Rates but as late as possible

Yours truly,

Oakfield Gypsum Products Corp.

Per A. H. M.

Mail B/L or shipping receipt immediately.
This will identify shipments on arrival and
help us to expedite delivery.

IMPORTANT! Acknowledge Receipt of this order,
giving exact date shipment will be made.

If material ordered is for ourselves at Oakfield, N. Y., invoice
should be rendered in duplicate.

11148

Government's Exhibit No. 377-C

GEO. W. ALEXANDRIA & SONS

ALEXANDRIA, VA.

D. L. & W. 964480-1

Nov. 18, 1937

469 Bbls. 3/8"—16x48 Oakleaf Lath

469 Bbls. 3/8"—16x48 Oakleaf Perforated Lath

GOVERNMENT'S EXHIBIT 377-D

377-5

(1)

Uniform Domestic Straight Bill of Lading, adopted by Carriers in Official, Southern, Western and Illinois Classification territories, March 15, 1922, as amended August 1, 1926

Form G. F. D. No. 3-34 1st SHEET

UNIFORM STRAIGHT BILL OF LADING
ORIGINAL—NOT NEGOTIABLE

Shipper's No. _____

Agent's No. _____

746095 • 9780

The Delaware, Lackawanna and Western Railroad Company

RECEIVED, subject to the classifications and tariffs in effect on the date of the issue of this Bill of Lading.

At DELAWANNA, N. J.

NOV. 18, 1937.

193

From OAKFIELD GYPSUM PRODUCTS CORP.

the property described below, in apparent good order, except as noted (contents and condition of contents of packages unknown), marked, consigned, and destined as indicated below, which said company (the word company being understood throughout this contract as meaning any person or corporation in possession of the property under the contract) agrees to carry to its usual place of delivery at said destination, if on its own road or its own water line, otherwise to deliver to another carrier on the route to said destination. It is mutually agreed, as to each carrier of all or any of said property over all or any portion of said route to destination, and as to each party at any time interested in all or any of said property, that every service to be performed hereunder shall be subject to all the conditions not prohibited by law, whether printed or written, herein contained, including the conditions on back hereof, which are hereby agreed to by the shipper and accepted for himself and his assigns.

(Mail or street address of consignee—For purposes of notification only.)

Consigned to GEO. H. ROBINSON & SONS

ALEXANDRIA

VA.

Destination

State of

County of

Route

Delivering Carrier RF&P DELIVERY

Car Initial

DL&W

Car No.

45490

No. Packages	DESCRIPTION OF ARTICLES, SPECIAL MARKS, AND EXCEPTIONS	*WEIGHT (Subject to Correction)	Class or Rate	Check Column	Subject to Section 7 of conditions, if this shipment is to be delivered to the consignee without recourse on the consignor, the consignor shall sign the following statement: The carrier shall not make delivery of this shipment without payment of freight and all other lawful charges.
	3/8" GYPSUM PLASTER BOARDS				
469	Bundles (15008 sq.ft.)	20411			
469	Bundles (15008 sq.ft.)	20411			
	Dunnage	200			
		This Shipment is correctly described Correct Weight is 41022 lbs. Subject to Verification by the TRUNK LINE FREIGHT INSPECTION BUREAU According to Agreement			
	Seals 964480-1				
		SHIPPER			

OAKFIELD GYPSUM PRODUCTS CORP.

(Signature of consignor.)

If charges are to be prepaid write or stamp here, "To be Prepaid."

217-D		SHIPPER'S LOAD & TALLY	
Cvt. Ex. No. 377-D		2-11-44	
Do. 8017			

Received \$.....
to apply in prepayment of the
charges on the property de-
scribed hereon.

Agent or Cashier.

Per.....
(The signature here acknowledges
only the amount prepaid.)

* If the shipment moves between two ports by a carrier by water, the law requires that the bill of lading shall state whether it is
"carrier's or shipper's weight."

Note.—Where the rate is dependent on value, shippers are required to state specifically in writing the
agreed or declared value of the property.

The agreed or declared value of the property is hereby specifically stated by the shipper to be not exceeding
per.....

OAKFIELD GYPSUM PRODUCTS CORP.

Per.....

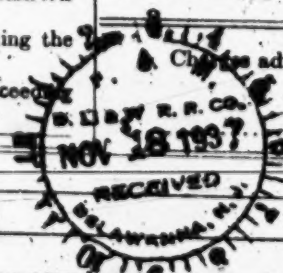
Shipper

Per.....

SYRACUSE, N. Y.

Permanent post-office address of shipper

LACKAWANNA ROUTING INSURES DEPENDABILITY IN SERVICE.



11143
RENNIS

over 38

CONTRACT TERMS AND CONDITIONS

Sec. 1. (a) The carrier or party in possession of any of the property herein described shall be liable as at common law for any loss thereof or damage thereto, except as hereinafter provided. (b) No carrier or party in possession of all or any of the property herein described shall be liable for any loss thereof or damage thereto or delay caused by the Act of God, the public enemy, authority of law, or the act or default of the shipper or owner, or for natural shrinkage. The carrier's liability shall be that of warehouseman, only, for loss, damage, or delay caused by fire occurring after the expiration of the free time allowed by tariffs lawfully on file (such free time to be computed as therein provided) after notice of the arrival of the property at destination. At the port of export (if intended for export) has been duly sent or given, and after placement of the property for delivery at destination, or tender of delivery of the property to the party entitled to receive it, has been made. Except in case of negligence of the carrier or party in possession (and the burden to prove freedom from such negligence shall be on the carrier or party in possession), the carrier or party in possession shall not be liable for loss, damage, or delay occurring while the property is stacked and held in transit upon the request of the shipper, owner or party entitled to make such request, or resulting from a defect or vice in the property, or for country damage to cotton, or from riots or strikes.

(c) In case of quarantine the property may be discharged at risk and expense of owner into quarantine depot or elsewhere, as required by quarantine regulations or authorities, or to the carrier's dispatch at nearest available point in carrier's judgment, and in any such case carrier's responsibility shall cease when property is so discharged, or property may be returned by carrier at owner's expense to shipping point, earning freight both ways. Quarantine expenses of whatever nature or kind upon or in respect to property shall be borne by the owners of the property or be a lien thereon. The carrier shall not be liable for loss or damage occasioned by fumigation or disinfection or other acts required or done by quarantine regulations or authorities even though the same may have been done by carrier's officers, agents, or employees, nor for detention, loss, or damage of any kind occasioned by quarantine or the enforcement thereof. The carrier shall be liable, except in case of negligence, for any mistake or inaccuracy in any information furnished by the carrier, its agents, or officers, as to quarantine laws or regulations. The shipper shall hold the carrier harmless from any expense they may incur, or damages they may be required to pay, by reason of the introduction of the property covered by this contract into any place against the quarantine laws or regulations in effect at such place.

Sec. 2. (a) No carrier is bound to transport and property by any particular train or vessel, or in time for any particular market or otherwise than with reasonable dispatch. Every carrier shall have the right in case of physical necessity to forward said property by any carrier or route between the point of shipment and the point of destination. In all cases not prohibited by law, where a lower value than actual value has been represented in writing by the shipper or has been agreed upon in writing as the insured value of the property as determined by the classification or tariffs upon which the rate is based, such lower value plus freight charges if paid shall be the maximum amount to be recovered, whether or not such loss or damage occurs from negligence.

(b) As a condition precedent to recovery, claims must be filed in writing with the receiving or delivering carrier, or carrier issuing this bill of lading, or carrier on whom lies the loss, damage, injury or delay occurred, within nine months after delivery of the property (or, in case of export traffic, within nine months after delivery at port of export) or, in case of failure to make delivery, then within nine months after a reasonable time for delivery has elapsed; and suits shall be instituted against any carrier only within two years and one day from the day when notice in writing is given by the carrier to the claimant that the carrier has disallowed the claim or any part or parts thereof specified in the notice. Where claims are not filed or suits are not instituted therein as accordance with the foregoing provisions, no carrier hereunder shall be liable, and such claims will not be paid.

(c) Any carrier or party liable on account of loss of or damage to any of said property shall have the full benefit of any insurance that may have been effected upon or on account of said property, so far as this shall not avoid the policies or contracts of insurance. Provided, That the carrier reimburses the claimant for the premium paid thereon.

Sec. 3. Except where such service is required as the result of carrier's negligence, all property shall be subject to necessary coopers and lading at owner's cost. Such carrier over whom issue cotton or cotton linters is to be transported hereunder shall have the privilege, at its own cost and risk, of compressing the same for greater convenience in handling or forwarding, and shall not be held responsible for deviation or unavoidable delays in procuring such compression. Grain in bulk consigned to a point where there is a railroad, public or licensed elevator, may unless otherwise expressly noted herein, and then if it is not promptly unloaded) be there delivered and placed with other grain of the same kind and grade without respect to ownership (and receipt notice thereof shall be given to the consignor); and if so delivered shall be subject to a lien for elevator charges in addition to all other charges hereunder.

Sec. 4. (a) Property not removed by the party entitled to receive it within the free time allowed by tariffs, lawfully on file (such free time to be computed as therein provided), after notice of the arrival of the property at destination or at the port of export (if intended for export) has been duly sent or given, and after placement of the property for delivery at destination has been made, may be kept in vessel, car, depot, warehouse or place of delivery of the carrier, subject to the tariff charges for storage and to carrier's responsibility as warehouseman, only, or at the option of the carrier, may be removed to and stored in a public or licensed warehouse at the place of delivery or other available place, at the cost of the owner, and there held without liability as the part of the carrier, and subject to a lien for all freight and other lawful charges, including a reasonable charge for storage.

(b) Where nonperishable property which has been transported to destination hereunder is refused by consignee or the party entitled to receive it, or said consignee or party entitled to receive it fails to receive it within 15 days after notice of arrival shall have been duly sent or given, the carrier may sell the same at public auction to the highest bidder, at such place as may be designated by the carrier. Provided, That the carrier shall have first mailed, sent, or given to the consignor notice that the property has been refused or remains unclaimed, as the case may be, and that it will be subject to sale under the terms of the bill of lading if disposition be not arranged for, and shall have published notice containing a description of the property, the name of the party to whom consigned, or, if shipped order notify, the name of the party to be notified, and the time and place of sale, once a week for two successive weeks, in a newspaper of general circulation at the place of sale or nearest place where such newspaper is published. Provided, That 30 days shall have elapsed before publication of notice of sale after said notice that the property was refused or remains unclaimed was mailed, sent, or given.

(c) Where perishable property which has been transported hereunder to destination is refused by consignee or party entitled to receive it, or said consignee or party entitled to receive it fails to receive it promptly, the carrier may, in its discretion, to prevent deterioration or further deterioration, sell the same to the best advantage at private or public sale. Provided, That if time serves for notification to the consignor or owner of the refusal of the property or the failure to receive it and request for disposition of the property, such notification shall be given, in such manner as the exercise of due diligence requires, before the property is sold.

(d) Where the procedure provided for in the two paragraphs last preceding is not possible, it is agreed that nothing contained in said paragraphs shall be construed to abridge the right of the carrier at its option to sell the property under such circumstances and in such manner as may be authorized by law.

(e) The proceeds of any sale made under this section shall be applied by the carrier to the payment of freight, demurrage, storage, and any other lawful charges and the expense of notice, advertisement, sale, and other necessary expenses and of caring for and maintaining the property, if proper care of the same requires special expense, and should there be a balance it shall be paid to the owner of the property sold hereunder.

(f) Property destined to or taken from a station, wharf, or landing at which there is no regularly appointed freight agent shall be entirely at risk of owner unless unloaded from cars or vessels or until loaded into cars or vessels, and, except in case of carrier's negligence, when received from or delivered to such stations, wharves, or landings shall be at owner's risk until the cars are attached to and after they are detached from locomotive or train or until loaded into and after unloaded from vessels.

Sec. 5. No carrier hereunder will carry or be liable in any way for any documents, specie, or for any articles of extraordinary value not specifically rated in the published classifications or tariffs unless a special agreement to do so and a stipulated value of the articles are indorsed hereon.

Sec. 6. Every party, whether principal or agent, shipping explosives or dangerous goods, without previous full written disclosure to the carrier of their nature, shall be liable for and indemnify the carrier against all loss or damage caused by such goods, and such goods may be warehoused at owner's risk and expense or destroyed without compensation.

Sec. 7. The owner or consignee shall pay the freight and average, if any, and all other lawful charges accruing on said property; but, except in those instances where it may lawfully be authorized to do so, no carrier by railroad shall deliver or relinquish possession at destination of the property covered by this bill of lading until all tariff rates and charges thereon have been paid. The consignor shall be liable for the freight and all other lawful charges, except that if the consignor stipulates, by signature, in the space provided for that purpose on the face of this bill of lading that the carrier shall not make delivery without requiring payment of such charges and the carrier, contrary to such stipulation, shall make delivery without requiring such payment, the consignor (except as hereinafter provided) shall not be liable for such charges. Provided, that, where the carrier has been instructed by the shipper or consignor to deliver said property to a consignee other than the shipper or consignor, such consignee shall not be legally liable for transportation charges in respect of the transportation of said property (beyond those bills against him at the time of delivery for which he is otherwise liable) which may be found to be due after the property has been delivered to him, if the consignee (a) is an agent only and has no beneficial title in said property, and (b) prior to delivery of said property has notified the delivering carrier in writing of the fact of such agency and absence of beneficial title; and, in the case of a shipment re-consigned or diverted to a point other than that specified in the original bill of lading, has also notified the delivering carrier in writing of the name and address of the beneficial owner of said property; and, in such cases the shipper or consignor, or, in the case of a shipment re-consigned or diverted, the beneficial owner, shall be liable for such additional charges. If the consignee has given to the carrier erroneous information as to who the beneficial owner is, such consignee shall himself be liable for such additional charges. Nothing herein shall limit the right of the carrier to require at time of shipment the prepayment or guarantee of the charges. If upon inspection it is ascertained that the articles shipped are not those described in this bill of lading, the freight charges must be paid upon the articles actually shipped.

Sec. 8. If this bill of lading is issued on the order of the shipper, or his agent, in exchange or in substitution for another bill of lading, the shipper's signature to the prior bill of lading as to the statement of value or otherwise, or election of common law or bill of lading liability, in or in connection with such prior bill of lading, shall be considered a part of this bill of lading as fully as if the same were written or made in or in connection with this bill of lading.

Sec. 9. (a) If all or any part of said property is carried by water over any part of said route, such water carriage shall be performed subject to all the terms and provisions of, and all the exemptions from liability contained in, the Act of the Congress of the United States, approved February 13, 1905, and entitled "An act relating to the navigation of vessels, etc.," and of other statute of the United States extending carriers by water the protection of limited liability and to the conditions contained in this bill of lading not inconsistent therewith or with this section.

(b) No such carrier by water shall be liable for any loss or damage resulting from any fire happening on board the vessel, or from explosion, bursting of boilers or breakage of shafts, unless caused by the design or neglect of such carrier.

(c) If the owner shall have exercised due diligence in making the vessel in all respects seaworthy and properly manned, equipped, and supplied, no such carrier shall be liable for any loss or damage resulting from the perils of the lakes, seas, or other waters, or from latent defects in hull, machinery, or appliances whether existing prior to, at the time of, or after sailing, or from collision, stranding, or other accidents of navigation, or from prolongation of the voyage. And, when for any reason it is necessary, any vessel carrying any or all of the property herein described shall be at liberty to call at any port or ports, in or out of the customary route, to tow and be towed, to tranship, to lighten, to load and discharge goods at any time, to enter vessels in distress, to deviate for the purpose of saving life or property, and for docking and repairs. Except in case of negligence such carrier shall not be responsible for any loss or damage to property if it is necessary or it is usual to carry the same upon deck.

(d) General Average shall be payable according to the York-Antwerp Rules of 1924, Sections 1 to 15, inclusive, and Sections 17 to 22, inclusive, and as to matters not covered thereby according to the laws and usages of the Port of New York. If the owner shall have exercised due diligence to make the vessel in all respects seaworthy and properly manned, equipped and supplied, it is hereby agreed that in case of danger, damage or disaster resulting from faults or errors in navigation, or in the management of the vessel, or from any latent or other defects in the vessel, her machinery or appliances, or from unseaworthiness, whether existing at the time of shipment or at the beginning of the voyage (provided the latent or other defects or the unseaworthiness was not discoverable by the exercise of due diligence), the shipper, consignee and/or owners of the cargo shall nevertheless pay salvage and any special charges incurred in respect of the cargo, and shall contribute with the shipowner in general average to the payment of any sacrifices, losses or expenses of a general average nature that may be made or incurred for the common benefit or to relieve the adventure from any common peril.

(e) If the property is being carried under a tariff which provides that any carrier or carriers party thereto shall be liable for loss from perils of the sea, then as to such carrier or carriers the provisions of this section shall be modified in accordance with the tariff provision, which shall be regarded as incorporated into the conditions of this bill of lading.

(f) The term "water carriage" in this section shall not be construed as including lightering in or across rivers, harbors, or lakes, when performed by or on behalf of said carrier.

Sec. 10. Any alteration, addition, or erasure in this bill of lading which shall be made without the special notation hereon of the agent of the carrier issuing this bill of lading, shall be without effect, and this bill of lading shall be enforceable according to its original tenor.

6060

11150

Government's Exhibit No. 377-E

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

DELAWARE, N. J.

November 18th, 1937.

Shipped to: Geo. H. Robinson & Sons

Freight Station: Alexandria, Va.

Oakfield Gypsum Products Corp.,
300 West Water Street,
Syracuse, N. Y.

Routing: R. F. & P. Dely.

Car No.: D. L. & W. 45490

Salesman: F. T.

Date Shipped:

Your Order No.: 319

F.O.B.: Destination

Terms: Discounts to apply on mill price
after deducting freight.
2%—10 days on net after freight

Ticket No.	Quantity	Commodity	Price	
E 5123	469 Bdls.	3/8"—16x48 Oakleaf Lath		
		15008 ft.	15.07 M	236.17
		Less 12½% on 13.00 base	24.39	201.78
	469 Bdls.	3/8"—16x48 Oakleaf Perf. Lath		
		15008 ft.	15.32 M	229.92
		Less 12½% on 13.25 base	24.86	205.06
				406.84
		Less Freight:—41022# @ .22 cwt.		90.25
				316.59

11151

Government's Exhibit No. 378

This is an Itemized List of Materials Being Delivered on this Shipment.
Invoice Will Follow. Claims or Shortages Must be Reported Immediately.

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

Delawanna, N. J., Oct. 14, 1937.

E 3777

Delivered to: United Clay & Supply Corp.

Address: Moreland Ave., Baltimore, Md.

Charge to: Oakfield Gyp Prod Corp.

W. M. Dely.

Address: 728 Broad St., Utica, N. Y.

Driver or
Car No.: D. L. & W. 45241

Quantity	Description	Tons	Price Extension
188 Bdls.	3/8"—16x48 Oakleaf Perforated Lath 6016 sq. ft.@ 14.93		89.82
	Less 12 1/2% on 13.25 base.....		9.96
			79.86
250 Bdls.	3/8"—16x48 Oakleaf Lath 8000 sq. ft.@ 14.68		117.44
	Less 12 1/2% on 13.00 base.....		13.00
			104.44
205	100 # bga. Old Newark Neat—10 1/4 tons @ 10.00		102.50
			286.80
	Less ft		69.81
			216.99

Returns of Merchandise Not Accepted Unless Authorized by Office.

Received by:

Office Voucher

Entered Oct. 14, 1937

2% 10 days on net after ft.

6062

11152

Government's Exhibit No. 378-A

1937 Oct 13 PM 10 17

RECEIVED AT 169 PROSPECT STREET, PASSAIC,
N. J.

NAN 1 12 30 NL=Washington DC 13

THE KELLY PLASTER BOARD CO=

DELAWANNA NJ=

SHIP THURSDAY SIX THOUSAND FEET
16 BY 48 PERFORATED EIGHT THOUSAND
FEET SAME PLAIN AND TEN TONS NEAT
TO UNITED CLAY AND SUPPLY CORPORA-
TION MORELAND AVENUE WESTERN
MARYLAND

DELIVERY BALTIMORE=

OAKFIELD TRAVERS.

11153

Government's Exhibit No. 378-B

UNITED CLAY SUPPLY CORP.

BALTIMORE, MD.

D. L. & 964212-3

Oct. 14 —

188 Bbls. 3/8"—16x48 Oakleaf Perforated Lath

250 Bbls. 3/8"—16x48 Oakleaf Lath

205 100# bags Old Newark Neat

6063

11154

Government's Exhibit No. 378-C

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

DELAWANNA, N. J.

October 14th, 1937.

Oakfield Gypsum Products Corporation
728 Broad Street
Utica, New York

Shipped to: United Clay & Supply Corp., Baltimore, Maryland
Freight Station: Baltimore, Maryland
Routing: WM Delivery
Car No.: DL&W 45241
Salesman: F. T.

F.O.B.: Destination

Terms: Discounts to apply on mill price
after deducting freight
2%—10 days on net after freight

Ticket No.	Quantity	Commodity	Price	
E3777	188 Bundles—3/8"—16x48 Oakleaf Perforated	Lath—6016 sq ft. 14.93 M'	89.82	79.86
		Less 12½% on \$13.25 base	9.96	
	250 Bundles—3/8"—16x48 Oakleaf Lath	8000 sq ft. 14.68 M'	117.44	
		Less 12½% on \$13.00 base	13.00	104.44
205 Bags	Old Newark Neat Plaster			
		10-1/4 Tons 10.00	102.50	
			286.80	
		Less freight	69.81	
			216.99	

6064

11155

Government's Exhibit No. 379

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

DELAWANNA, N. J.

April 16, 1937.

Shipped to: Geo. H. Robinson & Sons,

Freight Station: Alexandria, Va.

Oakfield Gypsum Products Corp.,
300 West Water Street,
Syracuse, N. Y.

Routing: RF&P Delivery

Car No.: DL&W-44249

Salesman: SJK

Date Shipped: 4/16/37

Your Order No.: 120

F.O.B.: Delawanna, N. J., freight allowed to destination

Terms: Discounts to apply on mill price

after deducting freight

2%—10 days on net after freight

Ticket No.	Quantity	Commodity	Price
21316	469 Bundles	3/8"—16x48 Oakleaf Cork Gypsum Lath—15008' 14.96 M	224.52
		Less 12% on \$13.00 Mill Base	24.38
			200.14
	313 Bundles	3/8" 16x48 Oakleaf Perforated Gypsum Lath—10016' 15.21 M	152.34
		Less 12½% on \$13.25 Mill Base	16.59
			135.75
	157 Bundles	3/8"—16x48 Oakleaf Metallized Gypsum Lath—5024' 23.06 M	120.37
		Less 12½% on \$22.00 Mill Base	13.82
			106.55
			442.44
		Less freight on 41066 # @ 22¢ cwt.	90.35
			352.09

Please mail receipted paid freight bill promptly.

In case of breakage or damage of any kind in car please notify your agent immediately so that he can make proper notation on freight bill.

11156

Government's Exhibit No. 379-A

This is an Itemized List of Materials Being Delivered on this Shipment.
Invoice Will Follow. Claims or Shortages Must be Reported Immediately.

KELLEY PLASTERBOARD COMPANY, INC.

Manufacturers and Distributors

Building Materials

D 21316

Delawanna, N. J., April 16, 1937.

Delivered to: Geo. H. Robinson & Sons

Address: Alexandria, Va. RS&P

Charge to: Oakfield Gyp. Prod. Corp.

Driver or

Address: Syracuse, N. Y.

Car No.: DL&W 44249

Quantity	Description	Tons	Price	Extension
469 Bdls.	16x48 Oakleaf Lath—15008	14.96 M	224.52	
	Less 12½% on \$13.00 base		24.38	200.14
313 Bdls.	16x48 Oakleaf Perforated Lath 10016 sq. ft.@	15.21	152.34	
	Less 12½% on \$13.25 base.....		16.59	135.75
157 Bdls.	16x48 Oakleaf Metallized Lath 5024 sq. ft.@	23.96	120.37	
	Less 12½% on \$22.00 base.....		13.82	106.55
				<u>442.44</u>
	Less fr.—41066 #0.22			90.35
				<u>352.09</u>

Returns of Merchandise Not Accepted Unless Authorized by Office.

Received by: Office Voucher

Entered Apr 16, 1937

2% 10 days on net after ft.

11156-A

Government's Exhibit No. 379-B

Consignee: Geo. H. Robinson & Sons

Date 4-16-37

Car No.: 44249

Seal Nos: 316236-7

6066

11157 *Government's Exhibit No. 379-C*

GEO. H. ROBINSON & SONS

316236-7

April 16, 1937

469 Bds 16x48 Oakleaf Lath

313 Bds 16x48 Oakleaf Perforated Lath

157 Bds 16x48 Oakleaf Perforated Lath

11158 *Government's Exhibit No. 379-D*

Syracuse, N. Y.

Rush Geo. H. Robinson & Sons, Alexandria, Va., 15,000
ft. Gypsum Lath, 10,000 same Perforated, 5,000 Insulated.
Consign to them via R. S. & P.

Oakfield Gypsum.

11159 *Government's Exhibit No. 379-E*

OAKFIELD GYPSUM PRODUCTS CORP.

300 West Water Street

Order No. 120

Syracuse, N. Y., April 16, 1937

To: Kelley Plasterboard Co., Delawanna, N. J.

Ship to: George H. Robinson & Sons, Alexandria, Va.

Via R. F. & P.

Send Bill of Lading Showing Weight and Rate of Freight

15,000 sq. ft. Oakleaf Plaster Lath 16/48

10,000 sq. ft. Perforated Plaster Lath 16/48

5,000 sq. ft. Insulated Plaster Lath 16/48

Confirms Wire.

Yours truly,

Oakfield Gypsum Products Corp.

Per A. H. M.

Mail B/L or shipping receipt immediately.
This will identify shipments on arrival
and help us to expedite delivery.

IMPORTANT! Acknowledge Receipt of this order, giving exact
date shipment will be made.

If material ordered is for ourselves at Oakfield, N. Y., invoice should
be rendered in duplicate.

11160

Government's Exhibit No. 380

NOVEMBER 17TH, 1937.

MR. T. P. ELDRED,
*Oakfield Gypsum Products Corp.,
728 Broad Street,
Utica, New York.*

DEAR TOM:

I had luncheon yesterday with Harry McCormick, and he told me there had been a good deal of excitement among the dealers in Philadelphia several days ago owing to the fact that a shipment of Oakleaf Lath had been delivered directly to the job at 52nd and Spruce Streets. Will you please investigate this matter, as I think it possible we may be called upon for some explanation. I am sure that neither you nor any of your affiliates would knowingly make direct job deliveries in the areas where they are not permitted, and I am simply passing this on for your information.

I was interested in your letter concerning your visit with Fred Epsary, and will look forward to discussing this and other matters when we next meet.

I have heard nothing from Jack Best since he left New York, but assume he is going through with the plans he outlined to us at our last meeting.

With kind regards.

Yours sincerely,

FT:DN

6068

11161

Government's Exhibit No. 381

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO ILLINOIS

DECEMBER 27, 1937

MR. FREDERICK TOMKINS, *President*
Newark Plaster Company
50 Church Street
New York, N. Y.

DEAR FRED:

The attached form of complaint is the result of information received by me. The information must, of course, be treated as confidential so that it does not get back to either the dealer or plastering contractor involved.

When you secure the facts on this complaint I would appreciate if you would use one copy of the attached form in reporting to me.

Very truly yours,

SIDNEY F. BARTLETT

SFB-hs

11162

Government's Exhibit No. 382

**Complaint on Sale of Patented Gypsum Wallboard and
Gypsum Plasterboard in Violation of License to
Manufacture and Sell Such Patented Products**

December 27, 1937
(Date)

To:

Newark Plaster Company
Licensee
c/o Calvin Tomkins Company
50 Church Street
New York, N. Y.

Attention: Mr. Frederick Tomkins, President.

A complaint has been filed against your company as follows:

Name of Customer involved: Oakfield Gypsum Products Company

Address of Customer involved: Philadelphia, Pa.

Date of Violation: Dec., 1937 Shipped From Delawanna, N. J. By Truck
(Mill) (Rail or
Truck)

Type of Violation: Price

Footage Involved	()	Size	()	Billed Price Per	()	Price Should Have Been	()
	(Wallboard)		(Wallboard)		(Wallboard)		(Wallboard)
	(Plasterboard)		(Plasterboard)		(Plasterboard)		(Plasterboard)

Facts Concerning Complaint

Is reported that Frankford Coal & Supply Company, Philadelphia, through Oakfield Gypsum Products salesman, has offered Plastering Contractor Sam Levin a price of \$14.00 per M, delivered to job. Material is trucked direct from Delawanna, N. J. by local trucking contractor. Licensed price on Plaster Lath delivered in truckload quantity to dealers in Zone 1 is \$14.10 per M.

BOARD SURVEY COMPANY

By D. F. BARTLETT
Executive Secretary.

6070

11163

Government's Exhibit No. 383

DECEMBER 29, 1937.

MR. T. P. ELDRED,
*Oakfield Gypsum Products Corp.,
728 Broad Street,
Utica, New York.*

DEAR TOM:

I am today in receipt of a formal complaint from the Board Survey Company as follows:

"FACTS CONCERNING COMPLAINT

Is reported that Frankford Coal & Supply Company, Philadelphia, through Oakfield Gypsum Products salesman, has offered Plastering Contractor Sam Levin a price of \$14.00 per M, delivered to job. Material is trucked direct from Delawanna, N. J. by local trucking contractor. Licensed price on Plaster Lath delivered in truckload quantity to dealers in Zone 1 is \$14.10 per M."

My guess is that this complaint is the one I mentioned to you some time ago here in New York, on which occasion you showed me a letter from your Philadelphia salesman giving an outline of the situation. Under the terms of the License Agreement I am compelled to file an answer to this complaint on the regular complaint form, a copy of which I enclose herewith. I suggest that you note on this form your suggestions for reply. Please understand that I am not in the least worried by this situation and am only bothering you with it to fulfill my obligations under the License Agreement.

With best wishes for the New Year, believe me.

Yours sincerely,

FT:DN
ENCL.

11164

Government's Exhibit No. 384

OAKFIELD GYPSUM PRODUCTS CORP.
Sales Office Utica, New York

DECEMBER 30, 1937.

MR. FREDERICK TOMKINS
The Calvin Tomkins Co.
50 Church Street
New York, N.Y.

DEAR FRED:

In reply to yours of the 29th, I can only enclose to you our representative's letter of Nov. 24 and our dealer customer's letter of the 23rd to assist you in filling out complaint as requested by licensors.

On my trip to Philadelphia, I might say to you that our representative, Mr. Robertson, told me of a case where one of the dealers requested that he deliver a very small quantity of Lath to his warehouse. The quantity required was much less than the 7500 Sq. Ft. requirement, and he told him that it would be impossible for him to do this. The dealer replied, "Never mind, I will get it from the U. S. G."

He said he immediately got in his car and drove over to this dealer's yard, only to find that delivery had just been made by U. S. G's truckman and the warehouse foreman, a negro, showed him the material on the warehouse floor.

Mr. Robertson asked me not to make a disturbance regarding this for fear he would lose the good will of the dealer, and I am just giving you this information, so that you may know that those who are trying to throw stones at us are not so Simon pure, after all.

After the enclosures I am sending you have served your purpose, we would be glad to have you return them for our files.

11165 With Best Wishes for a Happy and Prosperous
New Year, I am

Sincerely yours,

Tom

TPE:R

Enc.

6072

11166

Government's Exhibit No. 385

Complaint on Sale of Patented Gypsum Wallboard and
Gypsum Plasterboard in Violation of License to
Manufacture and Sell Such Patented Products

January 3rd, 1938
(Date)

To: Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Date of Complaint: December 27th, 1937.

Name of Customer involved: Oakfield Gypsum Products Corporation

Address of Customer involved: Philadelphia, Pa.

Date of Violation: Dec., 1937. Shipped from Delawanna, N. J. By Truck
(Mill) (Rail or truck)

Type of Violation: Price

Footage Involved	{	(Wallboard)	Size	{	(Wallboard)	Billed	{	(Wallboard)	Price	{	(Wallboard)	Have	{	(Wallboard)
	{	(Plasterboard)		{	(Plasterboard)	Per	{	(Plasterboard)	Should	{	(Plasterboard)	Been	{	(Plasterboard)
						M								

Licensee's Explanation

Oakfield Gypsum Products Corp. states that it has not made a direct delivery to Contractor Sam Levin from Delawanna, New Jersey as stated in Complaint dated December 27th, 1937. Oakfield Gypsum Products Corp. states further that it has not offered said Contractor a price of \$14.00 per M, delivered to job. Oakfield Gypsum Products Corp. states it is willing to make affidavit to this effect if required.

KELLEY P. B. Co.
(Name of Licensee)

By: FREDERICK TOMKINS
President.
(Title)

(Use this Form to Answer Complaints from Board Survey Co.)

11167

Government's Exhibit No. 386

JANUARY 3RD, 1938.

MR. T. P. ELDERED,
*Oakfield Gypsum Products Corp.,
728 Broad Street,
Utica, New York.*

DEAR TOM:

I enclose herewith the letters you sent me in connection with the Philadelphia complaint. I have today sent my answer to the Board Survey Company and have stated simply that the Oakfield Gypsum Products Company denies having made a direct job delivery to the dealer in question, and denies that it has offered to sell Lath delivered to this Contractor at a price of \$14.00 per M, as stated in the complaint. I have further advised that the Oakfield Gypsum Products Company is willing to make an affidavit to this effect, which I trust will not be necessary.

I do not think I will hear any more from this complaint, and see no reason for me to go into a great deal of detail in answering it.

I thank you for furnishing me with the necessary information as promptly as you did. With kind regards, I am

Yours sincerely,

FT:DN

ENCLS:-2

6074

11168

Government's Exhibit No. 387

MAY 17, 1938

MR. FREDERICK TOMKINS
President, Newark Plaster Company
50 Church Street
New York, N. Y.

DEAR MR. TOMKINS:

I have the following report on Philadelphia area:

"In further connection with my memo of the 5th instant advising you of apparent violation of trucking regulations, I have been informed that Structural Gypsum Co., and Newark Plaster Co. (Kelly Cork Lath) are making a regular practice of delivering material direct to jobs. In the case of Structural Gypsum Co., I have been informed that it is the practice of their salesman in this territory, Roger Laird, to meet truck containing gypsum products consigned to a dealer, and have this truck deliver material direct to job."

Will you please investigate and advise?

Very truly yours,

S. F. BARTLETT

SFB-hs

11169

Government's Exhibit No. 388

- MAY 20TH, 1938.

MR. S. F. BARTLETT,
*United States Gypsum Company,
300 West Adams Street,
Chicago, Illinois.*

DEAR MR. BARTLETT:

I have your memorandum of May 17th and believe you have been misinformed as to the deliveries said to have been made for Structural Gypsum Company and Newark Plaster Company in Philadelphia. The Newark Plaster Company has never made any sales of Gypsum Lath in Philadelphia, and the Kelley Plasterboard Company has at no time made any deliveries direct to jobs of Gypsum Lath.

The Kelley Plasterboard Company discontinued the delivery of Gypsum Lath in Philadelphia and vicinity for the account of Structural Gypsum Company several months ago because we were given to understand at that time there were some irregularities in connection with the sale of Lath by Structural to several dealers, and also because the business was unattractive to us. Since that time I understand Structural Gypsum Company has been purchasing Lath from your Philadelphia mill.

Yours very truly,

NEWARK PLASTER CO.

President.

FT:DN

6076

11170

Government's Exhibit No. 389

KELLEY PLASTERBOARD Co., INC.
Manufacturers and Distributors of Building Materials
DELAWANNA, N. J.

JULY 11, 1932.

BOARD SURVEY COMPANY,
300 West Adams Building,
Chicago, Ill.

GENTLEMEN :-

We are in receipt of your letter of the 1st in reference to Dussol Co. and note contents carefully. In reply we wish to advise that we do not expect to discontinue selling Dussol & Co. Wall Board and Plaster Board, and that we are not selling them at any other prices than the prevailing prices published in bulletins by the licensor.

George Dussol is an employee of ours on a straight commission, and we expect to continue his services with us.

We regret very much that you shall treat this transaction as a violation of our licensee agreement. We do not feel that you are just in this matter, and would like to have you reconsider your decision.

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.

S. J. KELLEY
Pres.

SJK.MK

11171

Government's Exhibit No. 390

JULY 1, 1932.

KELLEY PLASTERBOARD COMPANY
Delawanna, New Jersey.

Attention: Mr. S. J. Kelley

GENTLEMEN:

Re: L. A. Dussoll and Company

Referring to our previous correspondence regarding the above account, we are advised that Dussoll and Company are continuing to sell patented gypsum board manufactured and sold by you under your license agreement at prices which it would be unable to quote unless it were purchasing the board from you at less than the minimum price to you therefor as fixed by the licensor.

Information has also come to us indicating that Dussoll and Company is getting a rebate on its price for such board purchased from you through the medium of George Dussoll, whom we understand you claim is a commission salesman for you. This is to advise you that we shall treat as a violation of your license agreement any sale of such patented board to the above account at less than the minimum price to you therefor effected by a rebate through the payment of commissions to George Dussoll on sales to the Dussoll Company.

Will you please advise us of the action taken by you to correct this situation?

Yours very truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6078

11172

Government's Exhibit No. 391

KELLEY PLASTERBOARD CO., INC.
Manufacturers and Distributors Plaster Products
DELAWANNA, N. J.

JUNE 1, 1932

MR. C. F. HENNING,
United States Gypsum Co.,
300 West Adams St.,
Chicago, Ill.

DEAR MR. HENNING:-

We are in receipt of your letter of the 23rd, referring to the Reserve Supply Co., Mineola, Long Island, L. A. Dussoll Co., Brooklyn, N. Y. and George Cartier & Sons Co., Providence, R. I.

You claim that your records indicate that we have warehousing and trucking arrangements with the above mentioned firms. We wish to advise that you are very much mistaken. The only warehousing arrangement which we had was with the Reserve Supply Co. of Mineola, about which we wrote you previously, and again wrote the Board Survey Co. on May 23rd, advising that we had billed the Reserve Supply Warehouse for all the board which they had on hand, and that all future shipments to them would be made by rail in carload lots at carload prices. We might further state that we have made one such shipment to them within the past week or ten days.

We have today written to the Board Survey Co. about L. A. Dussoll & Co. and wish to further advise that we have no special arrangement with Dussoll & Co. We sell them as dealers at dealers prices.

We wish to also advise you that we have no special arrangement with M. N. Cartier Sons Co., of Providence, R. I. We sell this firm at dealers' prices and are paid at dealers' prices by Cartier & Co. Our books are open to you, and we would welcome an investigation.

We have no accounts on our books to whom we make any warehousing or trucking allowances.

11173 We sincerely hope that the above information is satisfactory.

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.

S. J. KELLEY
Pres.

SJK.MK

11174

Government's Exhibit No. 392

KELLEY PLASTERBOARD CO., INC.
Manufacturers and Distributors Plaster Products
DELAWANNA, N. J.

~~MAY 23, 1932.~~

BOARD SURVEY COMPANY,
300 West Adams Building,
Chicago, Ill.

GENTLEMEN :-

Replying to your favor of the 17th in reference to the Reserve Supply Co., we believe you refer to the Reserve Supply Co. of Mineola, L.I.

In connection with this account, wish to advise that for some time past, we rented floor space from this firm, and previously advised you or Mr. Henning of the arrangements which we had with them.

On May 14th, we billed the Reserve warehouse for all board on hand at \$30.84 per thousand, which is the truck-load price.

All future shipments to this firm will be made by rail in carload lots at carload prices, and no allowance will be made for handling in any way.

Trusting that the information above is clear and satisfactory, we remain

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.

SJK.MK

S. J. KELLEY
Pres.

6080

11175

Government's Exhibit No. 393

MAY 17, 1932.

MR. S. J. KELLEY, Pres.,
*Kelley Plasterboard Company,
Delawanna, N. J.*

DEAR MR. KELLEY:

Re: Reserve Supply Company

We are informed that you have sold to the Reserve Supply Company gypsum wallboard and/or plasterboard embodying the claims and inventions of the licensor's patents at prices below the licensor's minimum price to you and consequently in violation of the terms and conditions of your license agreement.

Specifically, that this violation occurred on your sale to the Reserve Supply Company under date of April 28.

Please forward us complete record of your shipments to this firm under that date, including a verified statement of your shipments showing the amount of board sold, price at which board was invoiced and price actually paid by the dealer for such board, including any and all allowances then or subsequently made by your company affecting such sales.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11176

Government's Exhibit No. 394

MAY 9, 1932.

MR. WARREN HENLEY
Certain-teed Products Corp
Daily News Building
Chicago, Ill.

DEAR MR. HENLEY:

Re: Reserve Supply Co.

We acknowledge receipt of your letter of May 2 concerning the sale to the above concern of gypsum wallboard and/or plasterboard manufactured and sold by the Kelley Plasterboard Company under its license agreement and embodying the claims and inventions of the license patents,

We appreciate your calling this matter to our attention and will immediately investigate same and take such action as may seem necessary or proper to fully protect the licensor's rights in the premises.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6082

11177

Government's Exhibit No. 395

CERTAIN-TEED PRODUCTS CORPORATION
1 North Canal St.
CHICAGO, ILL.

MAY 2, 1932

MR. FRANK MILLER, Executive Secretary
c/o Board Survey Company
300 W. Adams St.
Chicago, Ill.

SUBJECT:

DEAR MR. MILLER:

Kelley Plasterboard Co.

For your information, subject concern on Thursday, April 28, trucked a load of gypsum board to Reserve Supply Co.'s warehouse on some sort of special arrangement and in-violation of minimum prices set by you to our company as licensee.

Will you please check and advise promptly.

Yours very truly,

WARREN HENLEY
Merchandise Manager
Gypsum Division H

WH/H

11178

Government's Exhibit No. 396

MARCH 22, 1932.

MR. S. J. KELLEY, Pres.,
Kelley Plasterboard Company, Inc.
Delawanna, N. J.

DEAR MR. KELLEY:

The entire correspondence pertaining to the warehousing arrangement you have entered into with the Reserve Supply Company of Long Island, whereby the dealer whose warehouse is used by you is paid a handling and warehousing charge on gypsum wallboard and plasterboard, embodying the claims and inventions of the licensor's patents, which passes through such dealer's warehouse, has been referred to us by the licensor for further handling.

Our attorneys advise us there can be no doubt but that such an arrangement effects a rebate to the dealer on its purchases of such board from you, and consequently results in sales to that dealer being made at prices below our minimum price to you.

We, therefore, cannot recede from the position taken in this matter, both in regard to yourself and the other licensees you mention in your letter of March 8.

Your immediate compliance with our request is urged so there will not be further violations.

Yours very truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6084

11179

Government's Exhibit No. 397

NATIONAL GYPSUM COMPANY
General Offices
BUFFALO, N. Y.

MARCH 21, 1932

MR. F. M. MILLER
Board Survey Co.
300 W. Adams St.
Chicago, Ill.

DEAR MR. MILLER:

. It has been brought to our attention that one of your licensees, Kelley Plasterboard Company, is selling board manufactured under a license agreement with you to the Reserve Lumber Company, Mineola, L. I., N. Y., and as an inducement for getting the required price he is paying this dealer a stipulated amount per month for warehousing board and for handling it in and out of the warehouse.

Counsel has advised us that this is a rebate acting as a direct reduction in the price at which we are required to sell board under our license agreement with the United States Gypsum Company. Will you, therefore, please advise what steps the United States Gypsum Company proposes in this situation.

Very truly yours

M. H. BAKER
President

M.H.Baker:MP

11180

Government's Exhibit No. 398

KELLEY PLASTERBOARD Co., INC.
Manufacturers and Distributors of Building Materials
DELAWANNA, N. J.

OCT. 25, 1933.

BOARD SURVEY Co.,
300 West Adams St.,
Chicago, Ill.

GENTLEMEN :-

We have reason to believe that the following Companies are getting special prices on Plaster when purchasing Board. Of course, we may be entirely wrong, but it is reported to us that the Ebsary Gypsum Co. are making these arrangements.

G. Radish — Stapleton, S.I.

Universal Material Co., E. 4th St., New York City

Trio Builders Supply Co., Ft. of E. 109th St., N.Y.C.
East 109th St., New York City.

We would be very glad to have you investigate and advise whether or not there is any proof of these reports.

Yours very truly,

KELLEY PLASTERBOARD COMPANY, INC.

F. F. PELLETT
Department Manager.

FFP.MDK

6086

11181

Government's Exhibit No. 399

NOVEMBER 7, 1933.

KELLEY PLASTERBOARD COMPANY, INC.,
Delawanna,
New Jersey.

Att: F. F. Pellett, Department Manager.

DEAR SIRs:

Re: G. Radish, Stapleton, S. I.

Universal Matls Co., E. 4th St., N. Y. C.

Trio Builders Supply Co., Ft. of E. 109th St., N.Y.C.

We acknowledge receipt of your letter of October 25th regarding the alleged sale of patented board in conjunction with plaster by the licensee, Ebsary Gypsum Company, to G. Radish, Stapleton, Staten Island; Universal Material Company, New York City and the Trio Builders Supply Company, New York City; said sale being made in such a manner as to effect a lower price on patented board than the licensor's minimum price.

We have investigated these complaints and have been unable to substantiate.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11182

Government's Exhibit No. 400

JAN. 20TH, 1937.

EBSARY GYPSUM COMPANY, INC.,
52 Vanderbilt Avenue,
New York City, N.Y.

GENTLEMEN :*Att. of Mr. George N. Lenci*

We have your letter of Jan. 19th and very much regret to advise that it is absolutely impossible for us to put you in a position where you can handle white plaster profitably in this market so long as the resale price is held at the present ridiculously low level. The price that we are now charging you for white plaster takes into consideration the fact that we do not figure any selling expense or overhead in our sales to your Company and we cannot reduce this price without actually incurring a direct loss.

We are hoping that something will be done in the near future to increase the resale price and you may be sure that we will do everything we can to make your business in this material profitable at the earliest possible moment.

Yours-very truly,

FT:MW**NEWARK PLASTER Co.**

6088

11183

Government's Exhibit No. 403

UNIVERSAL GYPSUM & LIME CO.
NEW YORK, N. Y.

Graybar Bldg. 420 Lexington Ave.

JANUARY 8TH, 1930.

MR. RALPH F. BURLEY,
*National Gypsum Co.,
Jackson Building,
Buffalo, N. Y.*

DEAR RALPH:

Per your request I am enclosing copy of our bulletin on Sanded Plaster which is self-explanatory.

Regarding the prices for Ohio, Michigan, Wisconsin and Illinois territories, so far as I know there has been no change in the figures carried in our bulletin. However, I suggest you check this with Charlie the next time you are in Chicago to make sure.

Trusting this gives you the information you want and with kindest regards, remain

Very truly yours,

ABEL DAVIS and EUGENE HOLLAND
Receivers in Equity for
UNIVERSAL GYPSUM AND LIME CO.

W. G. Stromquist
W. G. STROMQUIST
Eastern Sales Manager

WGS:HH

Att.

11184 *Government's Exhibit No. 403-A*

11184

Effective 8-1-29

Chicago
GSB #27-A
Cancels
GSB #27

GENERAL SALES BULLETIN
Dealers Prices
Prepared Sanded Plaster 3474
(Hair Fibered or Wood Fibered)

The following price policy will apply in all Sales Territories, except as noted under "Exceptions":

Basing Mills	Mill Price—Including Containers	
	In Paper Bags	In Jute Bags
Oakfield, N. Y.	\$8.00 per ton	\$11.00 per ton
Gypsum, Ohio	8.00 per ton	11.00 per ton
Plasterco, Va.	8.00 per ton	11.00 per ton
Fort Dodge, Ia.	8.00 per ton	11.00 per ton

Prices are f.o.b. mills indicated and include cost of containers. In figuring delivered price, use mill basing price, plus freight from such mills to destination, lowest combination thus obtained to apply.

EXCEPTIONS

NEW ENGLAND

Territory

Maine
New Hampshire
Vermont
Massachusetts
Rhode Island
Connecticut

In figuring delivered price to points in these States, use mill base price of \$6.00 per ton including paper bags or \$9.00 per ton, including jute bags, f.o.b. Oakfield, N. Y., plus actual freight from Oakfield to destination.

NEW YORK STATE

Territory

Manhattan County
Bronx County
Westchester County
Kings County
Queens County
Richmond County

\$9.50 per ton, including paper bags, or \$11.50 per ton, including jute bags, f.o.b. our Warehouse in New York City, when called for by dealer's own truck. These prices also apply and are f.o.b. any delivery point in this area, when delivered by steam lighter or carload.

Territory

Utica, N. Y.

In figuring delivered price to these two markets, use mill base price of \$5.00 per ton including paper bags or \$7.00 per ton, including jute bags, f.o.b. Oakfield, N. Y., plus actual freight from Oakfield.

6090

11185

Government's Exhibit No. 404

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

MAY 23, 1929.

MR. GEO. N. LENCI, V. Pres.
Ebsary Gypsum Co.
135th St. & Mott Haven Rd.
New York, N. Y.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices f.o.b.—

Oakfield, N. Y.
Gypsum, Ohio
Plasterco, Va.
Sweetwater, Texas

Grand Rapids, Mich.
Ft. Dodge, Ia.
Southard, Oklahoma
Acme, Texas

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—\$20.00 per M sq. ft.
 $\frac{3}{8}$ "—#2 Grade Gypsum Wallboard—\$17.50 per M sq. ft.
 $\frac{1}{4}$ "—Gypsum Wallboard—\$17.50 per M sq. ft.
 $\frac{1}{2}$ "—Gypsum Wallboard—\$22.50 per M sq. ft.
 $\frac{3}{8}$ "—Gypsum Wallboard SECONDS—\$15.00 per M sq. ft.

All Wallboard Seconds "to be plainly invoiced as 'SECONDS' and shall be plainly marked with visible red stamp or label firmly fixed on each of said boards showing the word "SECONDS" in letters at least three (3) inches high."

$\frac{1}{4}$ " and $\frac{3}{8}$ " Gypsum Plasterboards, either bundled or unbundled, all sizes—\$13.50 per M sq. ft. or 10.8¢ per 8 sq. ft. board.

$\frac{1}{2}$ " Gypsum Plasterboard—\$14.75 per M sq. ft. or 11.8¢ per 8 sq. ft. board.

Minimum Prices f.o.b. New Brighton, New York:

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—	\$22.60 per M sq. ft.
$\frac{3}{8}$ "—#2 Grade Gypsum Wallboard—	\$20.10 per M sq. ft.
$\frac{1}{4}$ "—Gypsum Wallboard—	\$19.00 per M sq. ft.
$\frac{1}{2}$ "—Gypsum Wallboard—	\$26.00 per M sq. ft.
$\frac{3}{8}$ "—Gypsum Wallboard SECONDS—	\$17.60 per M sq. ft.

All Wallboard SECONDS "to be plainly invoiced as 'SECONDS' and shall be plainly marked with 11186 visible red stamp or label firmly fixed on each of said boards showing the word 'SECONDS' in letters at least three (3) inches high."

$\frac{1}{4}$ " and $\frac{3}{8}$ " Gypsum Plasterboard, either bundled or unbundled, all sizes—\$16.10 per M or 13¢ per board.

$\frac{1}{2}$ " Gypsum Plasterboard—\$18.15 per M or 14½¢ per board.

Truck deliveries from New Brighton Mill add \$3.00 to New Brighton base prices, or \$2.00 to Oakfield delivered carload prices.

Minimum Prices f.o.b. New York and Newark Warehouses.

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—	\$23.60 per M
$\frac{3}{8}$ "—#2 Grade Gypsum Wallboard—	\$21.10 per M
$\frac{1}{4}$ "—Gypsum Wallboard—	\$20.00 per M
$\frac{1}{2}$ "—Gypsum Wallboard—	\$27.00 per M

$\frac{1}{4}$ " and $\frac{3}{8}$ " Gypsum Plasterboard, either bundled or unbundled, all sizes—\$17.10 per M

$\frac{1}{2}$ " Gypsum Plasterboard—\$19.15 per M

Truck deliveries from New York and Newark Warehouses, add \$2.00 per M sq. ft. to warehouse prices.

Minimum Prices f.o.b. Charlestown, Mass.

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—	\$23.65 per M
$\frac{3}{8}$ "—#2 Grade Gypsum Wallboard—	\$21.15 per M
$\frac{1}{4}$ "—Gypsum Wallboard—	\$19.65 per M
$\frac{1}{2}$ "—Gypsum Wallboard—	\$27.20 per M
$\frac{3}{8}$ "—Gypsum Wallboard SECONDS—	\$18.65 per M

All Wallboard SECONDS "to be plainly invoiced as 'SECONDS' and shall be plainly marked with visible red stamp or label firmly fixed on each of said boards showing the word 'SECONDS' in letters at least (3) inches high."

$\frac{1}{4}$ " and $\frac{3}{8}$ " Gypsum Plasterboard, either bundled or unbundled, all sizes—\$17.15 per M

$\frac{1}{2}$ " Gypsum Plasterboard—\$19.40 per M

Boston Warehouses add \$3.00 per M to Charlestown base prices or \$2.00 per M to Oakfield delivered car-load prices.

11187 Minimum Prices f.o.b. Buffalo Warehouse:

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—\$22.73 per M

$\frac{3}{8}$ "—#2 Grade Gypsum Wallboard—\$20.23 per M

$\frac{1}{4}$ "—Gypsum Wallboard—\$19.75 per M

$\frac{1}{2}$ "—Gypsum Wallboard—\$25.55 per M

$\frac{3}{8}$ "—Gypsum Plasterboard, either bundled or unbundled, all sizes—\$16.23 per M

Minimum Prices f.o.b. Laramie, Wyoming, for Mixed Car Shipments:

$\frac{1}{4}$ "—Gypsum Wallboard only —\$19.65 per M

$\frac{3}{8}$ "—Gypsum Plasterboard only—\$20.00 per M

Minimum Prices f.o.b. Loveland, Colorado for Mixed Car Shipments:

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard only —\$30.00 per M

$\frac{3}{8}$ "—Gypsum Wallboard —\$24.00 per M

$\frac{1}{2}$ "—Gypsum Wallboard —\$35.00 per M

$\frac{3}{8}$ "—Gypsum Plasterboard (Only) —\$20.50 per M

Minimum Prices f.o.b. Philadelphia Warehouse:

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—\$22.60 per M

$\frac{3}{8}$ "—#2 Grade Gypsum Wallboard—\$20.10 per M

$\frac{1}{2}$ "—Gypsum Wallboard—\$26.00 per M

$\frac{3}{8}$ " Gypsum Plasterboard, either bundled or unbundled, all sizes—\$16.10 per M or 13¢ per board.

Truck deliveries from Philadelphia Warehouse add \$3.00 to Philadelphia Warehouse prices, or \$2.00 to Oakfield delivered carload prices.

The following are billing weights used at all basing points:

1/4" Board.....	1250 lbs. per 1000 sq. ft.
3/8" Board.....	1850 lbs. per 1000 sq. ft.
1/2" Board.....	2250 lbs. per 1000 sq. ft.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. HENNING

Vice President in Charge of Sales.

CHF'AN

6094

11188

Government's Exhibit No. 405

New York Office

MAY 23rd, 1929

EBSARY GYPSUM CO., INC.
Newark, N. J.

Attention of Mr. Ed. A. Niel, Jr.

GENTLEMEN:

For your information please be advised that effective immediately the following prices on wall board and plaster board will prevail:

3/8" Gypsum Lath (16x48—16x32—32x48) @
\$13.50 per M ft. F.O.B. Mill

1/4" (32x36) 13.50 " " " " "

3/8" (32x36) 13.50 " " " " "

1/2" (32x36) 14.75 " " " " "

Open edge wall board 4x6—12' long @
15.00 per M ft. F.O.B. Mill

New covered edge wall board 4x6—12' long @
17.50 per M ft. F.O.B. Mill when

ready. These are minimum prices at our Mill to which you will please add schedule weights for freight.

Will you please notify all salesmen in your territory at once and oblige,

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

By

GEORGE N. LENCI
Vice-President

EHD:SF

All Lath and Plaster Boards either 1/4" or 3/8"
@ \$13.50 per M ft. F.O.B. Mill
1 1/2 32x36 @, 14.75 " " " " "
3/8" wall board 4x6-12' long open edge @
15.00 per M ft. F.O.B. Mill

C. H. Crowther
F. M. Johnson
W. J. Kelleher
J. F. Murtha
J. McConnell
G. F. Heal
A. H. Robinson.

6096

11190

Government's Exhibit No. 407

NEW YORK OFFICE

MAY 24TH, 1929.

EBSARY GYPSUM Co., INC.
Newark, N. J.

GENTLEMEN:

Attention of Mr. Ed. A. Niel, Jr.

Supplementing my letter of May 23rd giving new prices on gypsum boards, you will please use the following weights in figuring the freight:

$\frac{1}{4}$ "	1250 lbs. per M ft.
$\frac{3}{8}$ "	1850 " " " "
$\frac{1}{2}$ "	2250 " " " "

In giving you the price of \$15.00 F.O.B. Mill on the open edge wall board this price will remain only in effect until such time as we use up the quantity of paper that we now have on hand. After that all of the 32x36 board, regardless of thickness as well as the wall board, will be covered edge.

At this time we are not in a position to say definitely when the lath, that is 16x48:— 16x32 and 32x48 will be made in a covered edge wall board.

Would also suggest that you make every effort to sell as much joint filler as possible and the price will be \$3.60 per case (one dozen cartons) F.O.B. Mill.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

By

GEORGE N. LENCI
Vice-President

EHD:SF

Copy for Mr. R. B. Hepner

11191

Government's Exhibit No. 408

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

MAY 24, 1929.

MR. GEO. N. LENCI, *V. Pres.*,
Ebsary Gypsum Company,
135th St. & Mott Haven Road,
New York, N.Y.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices to Manufacturers and Jobbers of Gypsum Products — 10% discount from minimum list prices as per our letter of May 23, applicable at all basing points.

The standard size of patented gypsum plasterboards are; 32 and 48-inch widths, and from 4-ft. to 12-ft. lengths, inclusive.

The standard sizes of patented gypsum plasterboards are; 32-inches x 48-inches, and 32-inches x 36-inches, and less, either bundled or unbundled.

You will please send us a list of the jobbers to whom you are selling patented board.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice President in Charge of Sales

CFH:HDS

6098

11192

Government's Exhibit No. 409

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

MAY 25, 1929.

MR. GEO. N. LENCI, *Vice-Pres.*
Ebsary Gypsum Company,
135th St. & Mott Haven Road,
New York City.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices f.o.b. Acme, Texas, shall be the same as minimums given in our letter of May 23, 1929, f.o.b.:

Oakfield, N.Y.	Grand Rapids, Mich.
Gypsum, Ohio	Ft. Dodge, Ia.
Plasterco, Va.	Southard, Oklahoma
Sweetwater, Texas.	

Very truly yours,

UNITED STATES GYPSUM COMPANY
C. F. HENNING,

Vice-President in Chg. Sales

CFH/WP

11193

Government's Exhibit No. 410

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JUNE 7, 1929.

MR. GEO. N. LENCI, Vice Pres.,
%Ebsary Gypsum Company,
135th St. & Mott Haven Canal,
New York City, New York.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices f.o.b.

Oakfield, N.Y.	Ft. Dodge, Iowa
Gypsum, Ohio	Southard, Oklahoma
Plasterco, Va.	Sweetwater, Texas
Grand Rapids, Mich.	Acme, Texas:

$\frac{3}{8}$ " #2 Grade Gypsum Wallboard, price changed from \$17.50 per M sq. ft. to \$18.75 per M sq. ft.

$\frac{3}{8}$ " Gypsum Wallboard SECONDS, price changed from \$15.00 per M sq. ft. to \$16.25 per M sq. ft.

Minimum Prices f.o.b. New Brighton, New York:

$\frac{3}{8}$ " #2 Grade Gypsum Wallboard, price changed from \$20.10 per M sq. ft. to \$21.35 per M sq. ft.

$\frac{3}{8}$ " Gypsum Wallboard SECONDS, price changed from \$17.60 per M sq. ft. to \$18.85 per M sq. ft.

Minimum Prices f.o.b. New York and Newark Warehouses:

$\frac{3}{8}$ " #2 Grade Gypsum Wallboard, price changed from \$21.10 per M sq. ft. to \$22.35 per M sq. ft.

Minimum Prices f.o.b. Charlestown, Mass.

6100

11194 $\frac{3}{8}$ " #2 Grade Gypsum Wallboard, price changed
from \$21.15 per M sq. ft. to \$22.40 per M sq. ft.

$\frac{3}{8}$ " Gypsum Wallboard SECONDS — Price changed
from \$18.65 per M sq. ft. to \$19.90 per M sq. ft.

Minimum Prices f.o.b. Buffalo Warehouse:

$\frac{3}{8}$ " #2 Grade Gypsum Wallboard, price changed from
\$20.23 per M sq. ft. to \$21.48 per M sq. ft.

Minimum Prices f.o.b. Philadelphia Warehouse:

$\frac{3}{8}$ " #2 Grade Gypsum Wallboard, price changed from
\$20.10 per M sq. ft. to \$21.35 per M sq. ft.

Very truly yours,

UNITED STATES GYPSUM COMPANY

CFH:PBN

C. F. HENNING,
Vice President in Charge of Sales

11195

Government's Exhibit No. 411

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JUNE 19, 1929

MR. GEO. N. LENCI, V. Pres.,
Ebsary Gypsum Company,
135th St. & Mott Haven Canal, N.Y.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices for board F.O.B. Grand Rapids, Mich. Mill:

$\frac{3}{8}$ " — #1 Grade Gypsum Wallboard — \$20.00 per M sq. ft.
 $\frac{3}{8}$ " — #2 Grade Gypsum Wallboard — 18.75 per M sq. ft.
 $\frac{1}{4}$ " — Gypsum Wallboard — 17.50 per M sq. ft.
 $\frac{1}{2}$ " — Gypsum Wallboard — 22.50 per M sq. ft.
 $\frac{3}{8}$ " — Gypsum Wallboard Seconds — 16.25 per M sq. ft.
 $\frac{1}{4}$ " & $\frac{3}{8}$ " Gypsum Plasterboard, either bundled
or unbundled, all sizes — \$13.50 per M sq. ft.

For shipment in straight or mixed cars delivered to dealers in Grand Rapids, Mich., switching limits, add \$1.00 per M sq. ft. to prices listed above.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice-President in Chg. Sales

CFH'AC

6102

11196

Government's Exhibit No. 412

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JUNE 19, 1929

MR. GEO. N. LENCI, *Vice President,*
Ebsary Gypsum Company,
135th St. & Nott Haven Canal,
New York, New York.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices f.o.b. Harrison, N. J. Warehouse or Port Morris, N. Y. Warehouse:

3/8"	#1 Grade Gypsum Wallboard	—\$26.50 per M sq. ft.
3/8"	#2 Grade Gypsum Wallboard	— 24.35 per M sq. ft.
1/4"	Gypsum Plasterboard	— 17.10 per M sq. ft. or 13.7¢ per board.
3/8"	Gypsum Plasterboard	— 17.10 per M sq. ft. or 13.7¢ per board.
1/2"	Gypsum Plasterboard	— 19.15 per M sq. ft. or 15.3¢ per board.

Minimum prices delivered in truck lots to dealers' warehouses in Brooklyn, Queens, Manhattan, and Bronx Counties:

3/8"	#1 Grade Gypsum Wallboard	—\$25.60 per M sq. ft.
3/8"	#2 Grade Gypsum Wallboard	— 24.35 per M sq. ft.
Minimum Truck-load 10,000 sq. ft.		
1/4"	Gypsum Plasterboard	—\$17.95 per M sq. ft. or 14.35¢ per board
3/8"	Gypsum Plasterboard	— 19.10 per M sq. ft. or 15.3 ¢ per board
1/2"	Gypsum Plasterboard	— 21.15 per M sq. ft. or 16.9 ¢ per board

Minimum prices delivered in truck lots to dealers' warehouses in Nassau, Long Island, and Westchester Counties, N. Y.:

3/8"	#1 Grade Gypsum Wallboard	—\$26.35 per M sq. ft.
3/8"	#2 Grade Gypsum Wallboard	— 25.10 per M sq. ft.
Minimum Truck-load 8,000 sq. ft.		
1/4"	Gypsum Plasterboard	—\$18.70 per M sq. ft. or 15¢ per board.
3/8"	Gypsum Plasterboard	— 19.85 per M sq. ft. or 15.9¢ per board.
1/2"	Gypsum Plasterboard	— 21.90 per M sq. ft. or 17.5¢ per board.

Minimum prices delivered in truck lots to dealers' warehouses in counties and towns as follows:

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—\$25.60 per M sq. ft.

$\frac{1}{2}$ "—#2 Grade Gypsum Wallboard— 24.35 per M sq. ft.

Minimum Truck-load 7,500 sq. ft.

11197

$\frac{1}{4}$ "—Gypsum Plasterboard—\$17.94 per M sq. ft. or 14.3¢ per board.

$\frac{3}{8}$ "—Gypsum Plasterboard— 19.11 per M sq. ft. or 15.8¢ per board.

$\frac{1}{2}$ "—Gypsum Plasterboard— 21.14 per M sq. ft. or 16.9¢ per board.

Hudson County, N. Y. All Towns.

Essex County, N. Y. All Towns.

Union County, N. Y. All Towns.

Bergen County, N. J.

Bergenfield	Teaneck	Little Ferry	Morsmere
Bogota	W. Ft. Lee	Lodi	N. Hackensack
Carlstadt	Garfield	Rochelle Park	Palisades Park
Englewood	Hackensack	Tenafly	Ridgefield
Fairview	Grantwood	Woodridge	Ridgefield Park
Ft. Lee	Hasbrouck Heights	Lyndhurst	Rutherford
Riveredge	Leonia	Maywood	W. Englewood

Passaic County, N. J.

Athenia	Little Falls	Singac
Clifton	Mountain View	Totowa
Delawanna	Passaic	Wayne
Great Notch	Paterson	W. Paterson
Hawthorne	Prospect Park	

Morris County, N. J.

Long Hill	Whippany	Moristown	Green Village
Morris Plains	Dover	Mt. Tabor	Hanover
Mt. Freedom	Florham Park	Pine Brook	Millington
Parsippany	Gillette	Sterling	Mountain Lakes
Stanley	Madison	Green Pond	New Vernon

Middlesex County, N. J.

Avenel	Sewaren	Perth Amboy	New Market
Cartaret	South River	Roosevelt	Nixon
Cheesequake	Highland Park	South Amboy	Oak Tree
Chrome	Iselin	Stelton	Oldbridge
Dunellen	Kensley	Metuchee	Saysville
Fords	Lincoln	Middlesex	So. Plainfield
Parlin	Maurer	Milltown	Woodbridge
Port Reading	Menlo Park	New Brunswick	

Monmouth County, N. J.:

Matawan
Keyport

6104

Minimum prices to all towns in Passaic, Bergen, and Morris Counties, not listed above, delivered to dealers' warehouses, as follows:

$\frac{3}{8}$ "—#1 Grade Gypsum Wallboard—\$26.10 per M sq. ft.
 $\frac{3}{8}$ "—#2 Grade Gypsum Wallboard— 24.85 per M sq. ft.
Minimum Truck-load 7,500 sq. ft.

11198

$\frac{1}{4}$ "—Gypsum Plasterboard—\$19.60 per M sq. ft. or 15.7¢ per board.
 $\frac{3}{8}$ "—Gypsum Plasterboard— 19.60 per M sq. ft. or 15.7¢ per board.
 $\frac{1}{2}$ "—Gypsum Plasterboard— 21.65 per M sq. ft. or 17.32¢ per board.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. HENNING

Vice-President in Chg. Sales.

CFH'

11199

Government's Exhibit No. 413

UNITED STATES GYPSUM COMPANY

300 West Adams Street

CHICAGO

JUNE 26, 1929

GEORGE H. LENCI, V. Pres.,
Ebsary Gypsum Company,
135th St. & Mott Haven Canal,
New York, New York.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices f.o.b.: Oakfield, N.Y.

Gypsum, Ohio

Plasterco, Va.

Sweetwater, Tex.

Grand Rapids, Michigan

Fort Dodge, Ia.

Southard, Okla.

Acme, Texas.

3/8" #2 Grade Gypsum Wallboard, price changed from \$18.75 per M sq. ft. to \$20.00 per M sq. ft.

3/8" Gypsum Wallboard Seconds, price changed from \$16.25 per M sq. ft. to \$17.50 per M sq. ft.

For shipments in straight or mixed cars delivered to dealers in Grand Rapids, Michigan, switching limits, add \$1.00 per M sq. ft. to prices listed above.

Minimum Prices f.o.b. New Brighton, New York:

3/8" #2 Grade Gypsum Wallboard, price changed from \$21.35 per M sq. ft. to \$22.60 per M sq. ft.

3/8" Gypsum Wallboard Seconds, price changed from \$18.85 per M sq. ft. to \$20.10 per M sq. ft.

Minimum Prices f.o.b. Harrison, N. J. Warehouse, or Port Morris, N. Y. Warehouse:

3/8" #2 Grade Gypsum Wallboard, price changed from \$24.35 per M sq. ft. to \$25.60 per M sq. ft.

Minimum prices delivered in truck lots to dealers' warehouses in Brooklyn, Queens, Manhattan, and Bronx Counties, N. Y.:

3/8" #2 Grade Gypsum Wallboard, price changed from \$24.35 per M sq. ft. to \$25.60 per M sq. ft.

11200 Minimum prices delivered in truck lots to dealers' warehouses in Nassau, Long Island, and Westchester Counties, N. Y.:

3/8" #2 Grade Gypsum Wallboard, price changed from \$25.10 per M sq. ft. to \$26.35 per M sq. ft.

Minimum prices delivered in truck lots to dealers' warehouses in counties and towns listed on page 2 of our letter to you of June 19:

3/8" #2 Grade Gypsum Wallboard, price changed from \$24.35 per M sq. ft. to \$25.60 per M sq. ft.

Minimum prices to all towns in Passaic, Bergen, and Morris Counties, not listed on page 2 of our letter to you of June 19:

3/8" #2 Grade Gypsum Wallboard, price changed from \$24.85 per M sq. ft. to \$26.10 per M sq. ft.

Minimum prices f.o.b. Charlestown, Mass.:

3/8" #2 Grade Gypsum Wallboard, price changed from \$22.40 per M sq. ft. to \$23.65 per M sq. ft.

3/8" Gypsum Wallboard Seconds, price changed from \$19.90 per M sq. ft. to \$21.15 per M sq. ft.

Minimum Prices f.o.b. Buffalo Warehouse:

3/8" #2 Grade Gypsum Wallboard, price changed from \$21.48 per M sq. ft. to \$22.73 per M sq. ft.

6106

Minimum Prices f.o.b. Philadelphia Warehouse:

3/8" #2 Grade Gypsum Wallboard, price changed from \$21.35 per M sq. ft. to \$22.60 per M sq. ft

Yours very truly,

UNITED STATES GYPSUM COMPANY

CFH:

C. F. HENNING
Vice President in Charge of Sales

11201

Government's Exhibit No. 414

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JULY 9, 1929.

GEO. N. LENCI, *Vice Pres.*,
Ebsary Gypsum Company,
135th St. & Mott Haven Canal,
New York.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices f.o.b.: Oakfield, N. Y.
Gypsum, Ohio
Plasterco, Va.
Sweetwater, Tex.

Grand Rapids, Mich.
Fort Dodge, Ia.
Southard, Okla.

3/8" Gypsum Wallboard	—	—	\$22.50 per M sq. ft.
1/4" Gypsum Wallboard	—	—	20.00 per M sq. ft.
1/2" Gypsum Wallboard	—	—	25.00 per M sq. ft.
3/8" Gypsum Wallboard Seconds	—	—	20.00 per M sq. ft.

For shipment in straight or mixed cars delivered to dealers in Grand Rapids, Mich., switching limits, add \$1.00 per M sq. ft. to prices listed above.

Minimum Prices f.o.b. New Brighton, New York:

3/8" Gypsum Wallboard —	—	\$25.10 per M sq. ft.
1/4" Gypsum Wallboard —	—	21.50 per M sq. ft.
1/2" Gypsum Wallboard —	—	28.50 per M sq. ft.
3/8" Gypsum Wallboard Seconds —	—	22.60 per M sq. ft.

Truck deliveries from New Brighton Mill add \$3.00 to New Brighton base prices, or \$2.00 to Oakfield delivered car-load prices.

Minimum Prices f.o.b. Harrison, N. J. Warehouse or Port Morris, N. Y. Warehouse:

3/8" Gypsum Wallboard —	—	\$28.10 per M sq. ft.
1/4" Gypsum Wallboard —	—	23.50 per M sq. ft.
1/2" Gypsum Wallboard —	—	30.50 per M sq. ft.

Minimum Prices delivered in truck lots to dealers' warehouses in Brooklyn, Queens, Manhattan, and Bronx Counties:

3/8" Gypsum Wallboard \$28.10 per M sq. ft.
Minimum Truck-load 10,000 sq. ft.

11202 Minimum Prices delivered in truck lots to dealers' warehouses in Nassau, Long Island, and Westchester Counties, N. Y.:

3/8" Gypsum Wallboard \$28.85 per M sq. ft.
Minimum Truck-load 8,000 sq. ft.

Minimum Prices delivered in truck lots to dealers' warehouses in counties and towns as follows:

3/8" Gypsum Wallboard \$28.10 per M sq. ft.
Minimum Truck-load 7,500 sq. ft.

Hudson County, N. Y. All Towns.

Essex County, N. Y. All Towns.

Union County, N. Y. All Towns.

Bergen County, N. J.

Bergenfield	Teaneck	Little Ferry	Morrmere
Bogota	W. Ft. Lee	Lodi	N. Hackensack
Carlstadt	Garfield	Rochelle Park	Palisades Park
Englewood	Hackensack	Tenafly	Ridgefield
Fairview	Grantwood	Woodridge	Ridgefield Park
Ft. Lee	Hasbrouck Heights	Lyndhurst	Rutherford
Riveredge	Leonia	Maywood	W. Englewood

Passaic County, N. J.

Athenia	Little Falls	Signac
Clifton	Mountain View	Totawa
Dalawanna	Passaic	Wayne
Great Notch	Patterson	W. Patterson
Hawthorne	Prospect Park	

Morris County, N. J.

Long Hill	Whippany	Moristown	Green Village
Morris Plains	Dover	Mt. Tabor	Hanover
Mt. Freedom	Florham Park	Pine Brook	Millington
Parsippany	Gillette	Sterling	Mountain Lakes
Stanley	Madison	Green Pond	New Vernon

Middlesex County, N. J.

Avenel	Sewaren	Perth Amboy	New Market
Cartaret	South River	Roosevelt	Nixon
Cheesequake	Highland Park	South Amboy	Oak Tree
Chrome	Iselin	Stelton	Oldbridge
Dunellin	Keasbey	Metuchean	Saysville
Fords	Lincoln	Middlesex	So. Plainfield
Parlin	Maurer	Milltown	Woodbridge
Port Reading	Menlo Park	New Brunswick	

11203 Monmouth County, N. J.

Matawan
Keyport

Minimum prices to all towns in Passaic, Bergen, and Morris Counties not listed above, delivered to dealers' warehouses, as follows:

3/8" Gypsum Wallboard — — \$28.60 per M sq. ft.
Minimum Truck-load 7,500 sq. ft.

Minimum Prices f.o.b. Charlestown, Mass.

3/8" Gypsum Wallboard — — \$26.15 per M sq. ft.
1/4" Gypsum Wallboard — — 22.15 per M sq. ft.
1/2" Gypsum Wallboard — — 29.70 per M sq. ft.
3/8" Gypsum Wallboard Seconds — — 23.65 per M sq. ft.

Boston Warehouses add \$3.00 per M to Charlestown base prices or \$2.00 per M to Oakfield delivered carload prices.

Minimum Prices f.o.b. Buffalo Warehouse:

3/8" Gypsum Wallboard — — \$25.23 per M sq. ft.
1/4" Gypsum Wallboard — — 22.25 per M sq. ft.
1/2" Gypsum Wallboard — — 28.05 per M sq. ft.

Minimum Prices f.o.b. Philadelphia, Pa. Warehouse:

3/8" Gypsum Wallboard — — \$25.10 per M sq. ft.
1/2" Gypsum Wallboard — — 28.50 per M sq. ft.

Truck deliveries from Philadelphia Warehouse add \$3.00 to Philadelphia Warehouse prices, or \$2.00 to Oakfield delivered carload prices.

Minimum Prices f.o.b. Laramie, Wyoming, for mixed car shipments into Colorado, Wyoming, Utah and Idaho:

1/4" Gypsum Wallboard — — \$25.50 per M sq. ft.

Minimum Prices f.o.b. Laramie, Wyoming, for mixed car shipments into Nebraska:

1/4" Gypsum Wallboard — — \$24.50 per M sq. ft.

Minimum Prices f.o.b. Loveland, Colorado, for mixed car shipments into Nebraska, Colorado, Wyoming, Utah and Idaho:

3/8" Gypsum Wallboard — — \$30.00 per M sq. ft.

1/4" Gypsum Wallboard — — 25.00 per M sq. ft.

Minimum Prices f.o.b. E. Chicago, Ind.:

3/8" Gypsum Wallboard — — \$24.45 per M sq. ft.

1/4" Gypsum Wallboard — — 21.32 per M sq. ft.

1/2" Gypsum Wallboard — — 27.36 per M sq. ft.

3/8" Gypsum Wallboard Seconds — 21.95 per M sq. ft.

11204 Minimum Prices f.o.b. River Rouge, Michigan:

3/8" Gypsum Wallboard — — \$23.89 per M sq. ft.

1/4" Gypsum Wallboard — — 20.94 per M sq. ft.

1/2" Gypsum Wallboard — — 26.69 per M sq. ft.

3/8" Gypsum Wallboard Seconds — 21.39 per M sq. ft.

Yours truly,

UNITED STATES GYPSUM COMPANY

CFH'

C. HENNING

Vice President in Charge Sales

6110

11205

Government's Exhibit No. 415

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JULY 24, 1929

MR. GEO. N. LENCI, *Vice-Pres.,*
Ebsary Gypsum Co.,
135th St. & Mott Haven Canal,
New York City.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum prices on $\frac{3}{8}$ " gypsum plasterboard delivered to dealers f.o.b. cars, straight or mixed carloads, in Chicago, and suburbs as follows:

\$16.46 per M sq. ft. in 20-ton minimum cars.

\$15.91 per M sq. ft. in 30 or 40 ton minimum cars.

North Side Suburbs: Deerfield, Desplaines, Edison Park, Evanston, Glenview, Hubbard Woods, Morton Grove, Niles Center, North Brook, Northfield, Norwood Park, Park Ridge, Valley, Wheeling, Wilmette, Winnetka, Edison Park.

West Side Suburbs: Bensenville, Berwyn, Brookfield, Cicero, Downers Grove, Elmhurst, Forest Park, Glen Ellyn, Hinsdale, LaGrange, Lombard, Maywood, Melrose Park, Oak Park, River Forest, Riverside, Villa Park, Westmont, and Wheaton.

South Side Suburbs: Argo, Blue Island, Chicago Heights, Clearing, Harvey, Homewood, Lansing, Midlothian, Oaklawn, Oak Glen, Summitt.

Minimum price on $\frac{3}{8}$ " gypsum plasterboard is \$15.63 per M sq. ft. in straight or mixed carloads delivered f.o.b.

cars to dealers in Wayne county, Michigan, and the following Michigan towns outside of Wayne county: Centerline, Clawson, Farmington, Ferndale, Fraser, Halfway, Roseville, Royal Oak, and Warren.

Minimum price on $\frac{3}{8}$ " gypsum plasterboard is \$17.11 per M sq. ft. in straight or mixed carloads delivered f.o.b. cars to dealers in Philadelphia County, Pa., and town of Cheltenham in Montgomery County, Pa., also town of Milbourne Mills in Delaware County, Pa.

Minimum price on $\frac{1}{4}$ " and $\frac{3}{8}$ " gypsum Plasterboard is \$17.11 per M sq.ft.

11206 Minimum price on $\frac{1}{2}$ " gypsum plasterboard is \$19.14 per M sq. ft., in straight or mixed carloads, delivered, f.o.b. cars to dealers in following counties in New York: Westchester, Kings, Bronx, New York, Queens, Richmond; and following counties in New Jersey: Hudson, Essex, Bergen, Hunterdon, Somerset, Union, Warren county (except town of Phillipsburg), Mercer, Middlesex, Monmouth, Morris, Sussex, Passaic (except town of Sterling Forest).

Minimum price on $\frac{3}{8}$ " gypsum plasterboard is \$18.13 per M sq. ft. in straight or mixed carloads delivered, f.o.b. cars to dealers in Suffolk County, Mass.; Norfolk County, Mass. (except town of Foxboro); also following towns in Middlesex County, Mass.: Newton, Newton Center, Newton Lower Falls, Newton Upper Falls, Newtonville, Cambridge, East Cambridge, North Cambridge, New Newton.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice-President in Chg. Sales.

CFH'

6112

11207

Government's Exhibit No. 416

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JULY 25, 1929

GEO: N. LENCI, *Vice Pres.,*
Ebsary Gypsum Company,
135th St. & Mott Haven Canal,
New York, New York

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum Prices f.o.b.—Oakfield, N. Y.

• Gypsum, Ohio
Plasterco, Va.
Sweetwater, Texas.

Grand Rapids, Mich.

Ft. Dodge, Ia.
Southard, Okla.
Acme, Texas

1/4 and 3/8" Gypsum Plasterboards, either bundled or unbundled,
all sizes\$15.00 per M sq. ft. or 12¢
per 8 sq. ft. board.
1/2" Gypsum Plasterboard 16.25 per M sq. ft. or 13¢
per 8 sq. ft. board.

For shipment in straight or mixed cars delivered to dealers in Grand Rapids, Michigan, switching limits, add \$1.00 per M sq. ft. to prices listed above.

Minimum Prices f.o.b. New Brighton, New York:

1/4" and 3/8" Gypsum Plasterboard, either bundled or unbundled,
all sizes\$16.11 per M or 13¢ per board.
1/2" Gypsum Plasterboard 18.14 per M or 14½¢ per board.

Truck deliveries from New Brighton Mill add \$3.00 to New Brighton base prices, or \$2.00 to Oakfield delivered car-load prices.

Minimum prices f.o.b. Harrison, N. J. Warehouse, or Port Morris, N. Y. Warehouse:

1/4" or 3/8" Gypsum Plasterboard ...\$17.11 per M sq. ft. or 13.7¢ per board.
1/2" Gypsum Plasterboard 19.14 per M sq. ft. or 15.3¢ per board.

Minimum prices delivered in truck lots to dealers' warehouses in Brooklyn, Queens, Manhattan, and Bronx Counties:

	1/4" Gypsum Plasterboard ..	\$17.95 per M sq. ft. or 14.35¢ per board.
11208	3/8" Gypsum Plasterboard ..	19.10 per M sq. ft. or 15.3¢ per board.
	1/2" Gypsum Plasterboard ..	21.15 per M sq. ft. or 16.9¢ per board.

Minimum prices delivered in truck lots to dealers' warehouses in Nassau, Long Island, and Westchester Counties, N. Y.:

	1/4" Gypsum Plasterboard	\$18.70 per M sq. ft. or 15¢ per bd.
	3/8" Gypsum Plasterboard	19.85 per M sq. ft. or 15.9 " "
	1/2" Gypsum Plasterboard	21.90 per M sq. ft. or 17.5 " "

Minimum prices delivered in truck lots to dealers' warehouses in counties and towns as follows:

	1/4" Gypsum Plasterboard	\$17.94 per M sq. ft. or 14.3¢ per bd.
	3/8" Gypsum Plasterboard	19.11 per M sq. ft. or 15.3¢ " "
	1/2" Gypsum Plasterboard	21.14 per M sq. ft. or 16.9¢ " "

Hudson County, N. Y. All towns.

Essex County, N. Y. All towns.

Union County, N. Y. All towns.

Bergen County, N. J.

Bergenfield	Teaneck	Little Ferry	Moramere
Bogota	W. Ft. Lee	Lodi	N. Hackensack
Carlstadt	Garfield	Rochelle Park	Palisades Park
Englewood	Hackensack	Tenafly	Ridgefield
Fairview	Grantwood	Woodridge	Ridgefield Park
Ft. Lee	Hasbrouck Heights	Lyndhurst	Rutherford
Riveredge	Leonia	Maywood	W. Englewood

Passaic County, N. J.

Athenia	Little Falls	Signac
Clifton	Mountain View	Totawa
Delawanna	Passaic	Wayne
Great Notch	Patterson	W. Patterson
Hawthorne	Prospect Park	

Morris County, N. J.

Long Hill	Whippany	Moristown	Green Village
Morris Plains	Dover	Mt. Tabor	Hanover
Mt. Freedom	Florham Park	Pine Brook	Millington
Parappany	Gillette	Sterling	Mountain Lakes
Stanley	Madison	Green Pond	New Vernon

Middlesex County, N. J.

Avenel	Sewaren	Perth Amboy	New Market
Cartaret	South River	Roosevelt	Nixon
Cheesequaka	Highland Park	South Amboy	Oak Tree
Chrome	Iselin	Stelton	Oldbridge
Dunellin	Keasbey	Metuchen	Sayville
Fords	Lincoln	Middlesex	So. Plainfield
Parlin	Maurer	Milltown	Woodbridge
Port Reading	Menlo Park	New Brunswick	

10209 Monmouth County, N. J.

Matawan
Keyport

Minimum prices to all towns in Passaic, Bergen, and Morris Counties, not listed above, delivered to dealers' warehouses, as follows:

1/4" or 3/8" Gypsum Plasterboard	....\$19.60 per M sq. ft. or 15.7¢ per board.
1/2" Gypsum Plasterboard	..... 21.65 per M sq. ft. or 17.32¢ per board.

Minimum prices f.o.b. Charlestown, Mass.

1/4" and 3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes	.....\$17.13 per M sq. ft.
1/2" Gypsum Plasterboard	..... 19.38 per M sq. ft.

Add \$3.00 per M to Charlestown base prices or \$2.00 per M to Oakfield delivered carload prices for truckload deliveries to dealers warehouses.

Minimum Prices for material picked up at Charlestown Mill by dealers:

1/4" and 3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes	.....\$18.13 per M sq. ft.
1/2" Gypsum Plasterboard	..... 20.38 per M sq. ft.

Minimum Prices f.o.b. Buffalo Warehouse:

3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes\$17.73 per M sq. ft.
--	----------------------------

Minimum Prices f.o.b. Philadelphia, Pa. Mill:

3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes\$16.11 per M or 13¢ per board.
--	--------------------------------------

Add \$3.00 per M to Philadelphia base price or \$2.00 per M to Oakfield delivered carload prices for truckload deliveries to dealers warehouses.

Minimum prices for material picked up at Philadelphia Mill by dealers:

3/8" Gypsum Plasterboard\$17.11 per M sq. ft.
--------------------------	----------------------------

Minimum Prices f.o.b. East Chicago, Indiana:

1/4" and 3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes\$15.45 per M sq. ft.

Minimum Prices f.o.b. River Rouge, Michigan:

1/4" and 3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes\$14.89 per M sq. ft.

Minimum prices f.o.b. Laramie, Wyoming, for mixed car shipments into Colorado, Wyoming, Utah, Idaho, and Nebraska:

3/8" Gypsum Plasterboard\$21.50 per M sq. ft.

Minimum prices f.o.b. Loveland, Colorado, for mixed car shipments into Nebraska, Colorado, Wyoming, Utah and Idaho:

3/8" Gypsum Plasterboard\$22.50 per M sq. ft.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. HENNING

CFH/EG

Vice-President in Chg. Sales.

6116

11210

Government's Exhibit No. 417

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JULY 26, 1929.

MR. GEO. N. LENCI, *Vice Pres.,*
Ebsary Gypsum Company,
135th St. & Mott Haven Canal,
New York City, N. Y.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum prices f.o.b. Charlestown, Mass.

1/4" and 3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes	\$17.13 per M sq. ft.
1/2" Gypsum Plasterboard	\$19.38 per M sq. ft.

Minimum Prices for material picked up at Charlestown Mill by dealers:

1/4" and 3/8" Gypsum Plasterboard, either bundled or unbundled, all sizes	\$20.13 per M sq. ft.
1/2" Gypsum Plasterboard	\$22.38 per M sq. ft.

Plasterboard not delivered by our trucks to dealers warehouses. Please disregard the minimum price for delivery by truck given in our letter of July 25.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. HENNING
Vice-President in Chg. Sales.

CFH:HS

11211

Government's Exhibit No. 418

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

AUGUST 3, 1929

MR. GEO. N. LENCI, *V-Pres.*,
Ebsary Gypsum Company,
New York, New York.

DEAR SIR:

Referring to paragraph 1 of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard or gypsum wallboard manufactured by you and embodying the improvements set forth in Utzman Patent No. 1,034,746 are as follows:

Minimum price on 3/8" gypsum plasterboard is \$17.11 per M sq. ft. in straight or mixed carloads delivered f.o.b. cars to dealers in the following towns in addition to those listed in our letter of July 24th, 1929 as follows:

DELAWARE COUNTY—PA.

Llanerch	Grassland
Lansdowne	Wallingford
Sharon Hill (Collingdale)	Glenolden
Devon	Moore
Clifton	Norwood
Wayne	Primos
Darby	Swarthmore
	Arlington

MONTGOMERY COUNTY—PA.

Fort Washington	Jenkintown
Glenside	Ardmore
Rosemont	Willow Grove
Bryn Mawr	Beth Ayres
West Manayunk	Cynwyd
Elkins Park	Rydal
Abington	Conshohocken
	Wyncote

6118

Minimum price on 3/8" gypsum plasterboard is \$18.13 per M sq. ft. in straight or mixed carloads delivered, f.o.b. cars to dealers in the following towns of Middlesex County,

Mass. in addition to those listed in our letter of 11212 July 24th, 1929 as follows:

Waltham
Watertown
Belmont
Reading
Wakefield
Stoneham
Winchester
Arlington
Medford
Belmont
Sumerville
Everett
Malden

Arlington
Lexington
Woburn
Melrose
Saugus
Lynn
Nahant
Swampscott
Marblehead
Salem
Peabody
Danvers
Beverly

Refer to paragraph in our letter of July 24, 1929, reading "Minimum price on 1/4" and 3/8" gypsum plasterboard is \$17.11——" (in Metropolitan N. Y. area), and omit Suffolk and Nassau counties.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. HENNING

Vice President in Charge of Sales

CFH:

11213

Government's Exhibit No. 420

JUNE 21ST, 1929

MR. H. W. RIPPEY
*Powers Building,
Rochester, N. Y.*

DEAR SIR:

I understand that sometime ago the United States Gypsum Company sent a copy of the proposed license agreement covering the patent for making bubble board to Mr. Ebsary and at the last meeting in Chicago he stated that he would have you look this over so that it could be discussed at the next meeting on June 26th in Chicago.

As he no doubt has turned it over to you I wish that you would write me on Monday to the Palmer House, Chicago, sending it to me together with your comments.

This will not come up for definite action at that time but I would at least like to be familiar with the conditions of the license together with your views so that I can talk it over with some of the other Manufacturers and get their ideas.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

By

GEORGE N. LENCI
Vice-President

GNL:SF

6120

11214

Government's Exhibit No. 421

JUNE 21ST, 1929

UNITED STATES GYPSUM COMPANY,
300 West Adams St.,
Chicago, Ill.

Attention of Mr. C. F. Henning, *Vice-President*

GENTLEMEN:

We have received your letter of June 19th establishing under the license contract new prices on board from the various warehouses and also for truckload deliveries and we are changing our price list immediately in accordance with this information.

The first item under the Harrison Warehouse is No. 1 — Wall Board — \$26.50. Should this not be \$25.60 which is \$1.25 higher than the No. 2 wall board scheduled at \$24.35?

At the June 6th meeting in Chicago you asked me to send a list of customers who we consider as Jobbers or Distributors and these are as follows:—

H. M. Coeyman Company, Newark, N. J.

G. B. Raymond & Company, Long Island City, N. Y.

Eastern Builders Supply Company, Baltimore, Md.

Unless I hear from you to the contrary I will be at the Palmer House on Wednesday morning, June 26th.

Very truly yours,

EBRARY GYPSUM COMPANY, INC.

By

GEORGE N. LENCI
Vice-President

GNL:SF.

11215 *Government's Exhibit No. 422*

SCOTT, BANCROFT, MARTIN & MACLEISH
Law Offices
 134 South LaSalle Street
 CHICAGO

JULY 3, 1929.

EBRARY GYPSUM Co.,
135th St. & Mott Haven Canal,
New York City, N. Y.

Attention Mr. George N. Lenci

DEAR SIR:

Enclosed please find draft of license contract under the bubble patent. This contract should have your careful consideration before the meeting of July 9th.

Very truly yours,

JOHN E. MACLEISH

JML:EM

Encl:

11216 *Government's Exhibit No. 423*

JULY 17TH, 1929

MR. H. W. RIPPEY,
Powers Building,
Rochester, N. Y.

DEAR SIR:

I am enclosing herewith original license as proposed for the bubble board and also the revision made up after the July meeting.

Will you please look over this revised license, take it up with Mr. Ebsary and get his approval of it and arrange to meet me in Chicago on the morning of Thursday, July 25th, at the Palmer House.

Please get all information from Mr. Ebsary before leaving so that if this contract is properly revised and all of the other Companies agree to it we will be in a position to do the same.

Very truly yours,

EBRARY GYPSUM COMPANY, INC.

By

GEORGE N. LENCI
Vice-President

GNL:SF.

R/c for Mr. E. C. Ebsary

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

APRIL 5, 1930.

MR. G. N. LENCI, *Vi. Pres.,*
Ebsary Gypsum Company,
New York, New York.

DEAR SIR:

Referring to paragraph 2 of our license contract with you, you are hereby notified that the minimum price at which you may sell open edge plasterboard embodying the inventions and improvements set forth in Haggerty patent number 1,500,452 and Hite patent number 1,230,297 and our other patents described in said contract is \$14.00 per thousand square feet bundled f.o.b. the following mills:

Oakfield, N. Y.; Gypsum, Ohio; Plasterco, Virginia; Sweetwater, Texas; Grand Rapids, Michigan; Fort Dodge, Iowa; Southard, Oklahoma; Acme, Texas.

Sizes only 16" x 48" and 16" x 32" bundled.

Only in the specific markets definitely described as follows:

City of Atlanta, Cobb, DeKalb and Fulton Counties.

" " Baltimore, Md., and Baltimore City County.

" " Boston, Mass.; and Suffolk and Norfolk Counties, and towns of Newton, Newton Center, Newton Lower & Upper Falls, Newtonville, Cambridge, East Cambridge, North Cambridge and West Newton.

" " Buffalo, N. Y.; and Niagara and Erie Counties.

" " Chicago, Ill.; Chicago City bounded on North by Howard St., directly West to Park Ridge inclusive; then due South on a direct line with Cumberland Avenue to 79th St. as the Southern boundary; then East on 79th St. to Lake Michigan. — This area includes the West Sub-

urban Towns of Oak Park, River Forest, Forest Park, Maywood, Melrose Park, LaGrange, Hinsdale, and Riverside.

11218 City of Detroit, Mich.; and Wayne County, Mich.; Towns of Birmingham, Clawson, Framington, Ferndale, and Royal Oak in Oakland County; and Warren, Halfway, Fraser, Roseville and Centerline in Macomb County.

City of Kansas City, Mo.; and Jackson Co., Mo.; Wyandotte and Johnson Counties, Kansas.

City of Philadelphia, Pa.; and Philadelphia County, and Town of Cheltenham in Montgomery County, also Milbourne Mills in Delaware County.

City of Pittsburgh, Pa.; and Beaver and Allegheny Counties.

City of Rochester, and Monroe and Wayne Counties.

City of St. Louis, Mo.; St. Louis City and St. Louis County.

Twin Cities, Minn.; and Hennepin, Ramsey and Washington Counties in Minnesota.

The minimum price at which other sizes of open edge plasterboard embodying said inventions and improvements may be sold by you as such Licensee is \$15 per thousand sq. ft. f.o.b. above mills.

Minimum delivered price is combination of mill price plus freight.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,

Vice President in Charge of Sales.

CH'BD

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

APRIL 15, 1930.

MR. GEO. N. LENCI, *Vice Pres.*
Ebsary Gypsum Company,
135 St. & Mott Haven Canal,
New York, New York.

DEAR SIR:

Supplementing our letter of April 5, which refers to paragraph 2 of our license contract with you, and gives the minimum prices at which you may sell open edge plasterboard embodying the inventions and improvements set forth in Haggerty Patent number 1,500,452 and Hite Patent number 1,230,297 and our other patents described in said contract, you are further advised that:

The sizes listed in paragraph 3 are changed to 16" x 48", 16" x 32" (bundled or unbundled); and 32" x 36", 48" x 32", 24" x 32" (unbundled).

Minimum prices on $\frac{1}{4}$ " and $\frac{3}{8}$ " open edge Gypsum Plasterboard are as follows:

F.O.B. Dealers' trucks at Charlestown, Mass. (Boston) Warehouse or trucked to dealers' warehouses:

	\$19.63 per M sq. ft.
F.O.B. Dealers' trucks at Philadelphia Warehouse, or trucked to Dealers' Warehouse	\$18.61 per M sq. ft.
F.O.B. Buffalo, N. Y. Warehouse:	\$16.73 per M sq. ft.
Delivered truckloads to dealers' warehouses in switching limits of Buffalo, N. Y.:	\$18.00 per M sq. ft.
F.O.B. Dealers' trucks at River Rouge (Detroit) Michigan Warehouse:	\$17.13 per M sq. ft.
Delivered to Dealers' warehouses by truck (Minimum truckload 10,000 sq. ft.) within switching limits of Detroit, Michigan:	\$18.13 per M sq. ft.
F.O.B. Dealers' trucks East Chicago, Indiana (Chicago Warehouse):	\$17.41 per M sq. ft.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice-President in Charge of Sales.

CFH:BO

11220

Government's Exhibit No. 426

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JUNE 3, 1930.

MR FRED EBSARY, *Pres.*
Ebsary Gypsum Company
Caledonia (Wheatland)
New York.

CC MR GEO. N LENCI, *Vice Pres.*
Ebsary Gypsum Company
135th St. & Mott Haven Canal
New York, New York.

DEAR SIR:

Referring to paragraph two of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard and gypsum wallboard manufactured by you embodying the inventions and improvements set forth in Haggerty Patent number 1,500,452 and Hite Patent number 1,230,297 and our other patents described in said contract (not including applications for letters patent) are as follows:

Minimum prices on OPEN EDGE Plasterboard for shipments into St. Louis, Mo., including St. Louis County; Minneapolis and St. Paul, Minn., including Hennepin, Ramsey, and Washington Counties:

F.O.B. Ft. Dodge, Ia.; Southard, Okla.; Sweetwater, Texas. $\frac{1}{4}$ " or $\frac{3}{8}$ " OPEN EDGE Plasterboard-----
\$14.50 per M sq. ft.

This price applies only on following sizes and bundling; 16"x32", 16"x48" (bundled or unbundled) and 32"x36", 48"x32", and 24"x32", (unbundled). Use freight rates in effect prior to May 25, 1930.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice-President in Charge Sales

CFH/WP

6126

11221

Government's Exhibit No. 427

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

FEBRUARY 11, 1931

MR. FRED EBSARY, *Pres.*,
Ebsary Gypsum Company, Inc.
Caledonia (Wheatland)
New York.

cc MR. GEO. N. LENCI, *V.P.*
Ebsary Gypsum Company, Inc.
135th St. & Mott H. Canal
New York, N.Y.

DEAR SIR:

Referring to paragraph two of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard manufactured by you embodying the inventions and improvements set forth in Haggerty Patent Number 1,500,452 and Hite Patent Number 1,230,297, and other patents described in said contract (not including applications for letters patent) are as follows:

Minimum price of open edge plasterboard shall be same as closed edge plasterboard except in following markets where the price will be as follows:

$\frac{1}{4}$ " or $\frac{3}{8}$ " open edge plasterboard sizes 16"x48"; 16"x32" (bundled or unbundled); and 32"x36", 48"x32", 24"x32" (unbundled),

\$12.50 per M sq. ft. f.o.b. Oakfield, N. Y.; Gypsum, Ohio; Plasterco, Va.; Grand Rapids, Mich.; Ft. Dodge, Ia.; Southard, Okla.; Acme, Texas:

Buffalo, N. Y.; Niagara and Erie Counties.

Chicago, Ill.; (area described in our letter of April 5, 1930).
Detroit, Mich.; (area described in our letter of April 5, 1930).

Rochester, N. Y.; City of Rochester, and Monroe and Wayne Counties.

\$13.00 per M sq. ft. (applying on same sizes open edge plasterboard listed above) f.o.b. Ft. Dodge, Ia.; Southard, Oklahoma, Acme, Texas for shipment to

St. Louis, Mo.; Including St. Louis County.
 Kansas City; Jackson County, Mo.; Wyandotte and Johnson Counties, Kansas.

Minimum prices open edge plasterboard f.o.b. all warehouses except Buffalo, Chicago and Detroit, now 11222 become same as closed edge lath.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,

CFH'

Vice-President in Charge Sales

11223

Government's Exhibit No. 428

MR. C. F. HENNING, *Vice-President,*
United States Gypsum Company
300 West Adams St.
Chicago, Ill.

JANUARY 20TH, 1930

DEAR SIR:

Will you please advise by return mail whether or not the Teachout Company of Akron and Cleveland, Ohio, may be considered as a wallboard jobber?

These people are wholesalers and sell to lumber dealers exclusively.

Very truly yours,

EBRARY GYPSUM COMPANY, INC.

By

GEORGE N. LENCI
Vice-President

GNL:SF

6128

11224

Government's Exhibit No. 428-A

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JANUARY 22, 1930

MR. GEORGE N. LENCI, *Vice Pres.*
Ebsary Gypsum Company, Inc.
135th St. & Mott Haven Canal
New York, New York.

DEAR SIR:

Replying to yours of January 20. There are no jobbers in the State of Ohio.

Teachout formerly jobbed Universal board, but was discontinued December 15, and is not considered a jobber.

Truly yours,

C. F. HENNING,
Vice President Charge of Sales

CH/MC

11225

Government's Exhibit No. 429

Mott Haven 3847
FEBRUARY 13TH, 1930

MR. C. F. HENNING, *Vice-President*
United States Gypsum Company
300 West Adams St.
Chicago, Ill.

DEAR SIR:

Will you please let me know as soon as possible whether or not Winslow & Company of Portland, Maine and John Varick Company of Manchester, N. H. are considered as jobbers?

I would also like this same information regarding the Culver Lumber Company, 3614 - 15th Ave., Brooklyn, N. Y. I understand that these people are doing a considerable wholesale business only with other lumber dealers and that they are not retailers.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

By

GEORGE N. LENCI
Vice-President

GNL:SF

6130

11226

Government's Exhibit No. 430

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO.

AUGUST 8, 1930.

MR. FRED EBSARY, Pres.
Ebsary Gypsum Co.
Caledonia (Wheatland)
New York.

cc MR. GEO. N. LENCI, Vice Pres.
Ebsary Gypsum Co.
135th & Mott Haven Canal
New York, N. Y.

DEAR SIR:

Referring to paragraph two of our license contract with you, you are hereby notified that until further notice the minimum prices at which you may sell plasterboard and gypsum wallboard manufactured by you embodying the inventions and improvements set forth in Haggerty Patent number 1,500,452 and Hite Patent number 1,230,297, and our other patents described in said contract (not including applications for letters patent) are as follows:

Effective this date the price to jobbers and distributors is the same as the price to the regular dealer trade, as per our letters to you of the following dates:

July 12, June 14, 10, and 3, May 29 and 24, April 15, 7, and 5, 1930, and December 31, 1929.

Yours very truly,

UNITED STATES GYPSUM COMPANY

CFH' C. F. HENNING,
Vice President in Charge Sales.

11227

*Government's Exhibit No. 431***MEMORANDUM FOR ATTENTION:****MR. LENCI,**

9/22/30

At our regular salesmen's meeting held on September 13th; the following matters were brought to my attention which I feel should be straightened out,—

DuSoll who was handling Atlantic board is now selling for Kelly. It is my understanding that there were not to be anymore jobbers.

Astoria Lumber Co. promised our man Hellman an order for a car and DuSoll of Kelly Plasterboard Company was there and Astoria Lumber Co. cooled off entirely when we went there for the order.

On or about September 8th, Baxter sold for USG 2 truckloads of Wallboard at \$30.61 to the New Broadway Lumber Company, Jamaica, L. I.

Richmond Hill Lumber Co. (Mr. Deutschman)

Bergen Lumber Company,

Zashinsky Lumber Co.

These three companies are run by relatives and Kelly took an order for three truckloads to make up a car, which is perfectly alright, but instead of delivering them all to one yard, they deliver one truckload to each yard and bill accordingly.

GEO. P. TURNER,

Sales Manager

6132

11228

Government's Exhibit No. 432

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

4TH MARCH 1932

MR F G EBSARY, *President*
Ebsary Gypsum Company, Inc.
Scottsville, New York.

CC MR GEORGE N LENCI
Ebsary Gypsum Company, Inc.
52 Vanderbilt Avenue
New York, New York.

DEAR SIR:

As you know, in addition to our license agreement with you under date of October 18, 1929, we have a number of other outstanding agreements wherein, as licensor, we have authorized the respective licensees to manufacture and sell, in competition with us, gypsum wallboard and plasterboard embodying the claims and inventions of our patents. We are naturally interested in seeing that all sales of the patented board by the licensees are made in compliance with the terms and conditions of the respective license agreements.

As a result of the audits which we made or caused to be made of the books of our licensees it became apparent to us that a considerable quantity of patented board was being sold in violation of the license agreements. In order to more fully protect our rights and interests in this regard we have therefore entered into an agreement with the Board Survey Company, an Illinois corporation, whereby it is now charged with the duty of seeing that our license agreements are being complied with and that our rights in connection therewith are being fully protected.

We feel confident that we will have your cooperation in thus attempting to more effectively prevent license violations in the future. To that end we ask you to send in to Mr. Frank Miller, Executive Secretary, Board Survey Company, 300 West Adams Street, Chicago, Illinois, all instances of violations of any of our gypsum wallboard

and plasterboard license agreements which come to your attention, in each case furnishing him with all the data you are able to collect evidencing the apparent violation. You may be sure that the Survey Company, through its Executive Secretary, will make a thorough check-up of all such reported violations and is authorized by us to take such action as it may deem necessary or proper to fully enforce our rights under our license agreements and to protect our rights and interests under our patents.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice President

CH HC

11229

Government's Exhibit No. 433

UNITED STATES GYPSUM COMPANY.
300 West Adams Street
CHICAGO

FEBRUARY 16, 1934.

MR. GEO. N. LENCI, *Secy*
Ebsary Gypsum Company
414 Ogden Street
Newark, New Jersey.

DEAR MR. LENCI:

In the future, all matters involving specific job commitments, supplemental reports and reported violations as covered by our license contract with you should be referred to him at 300 West Adams Street, Chicago, Illinois.

Yours truly,

C. F. HENNING,
Vice President.

6134

11230

Government's Exhibit No. 434

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

3D DECEMBER 1934

MR F G EBSARY, *President*
Ebsary Gypsum Company Inc.
Scottsville, New York

DEAR SIR:

Effective immediately Mr. E. W. Carey has been appointed secretary of the Board Survey Company.

There will be a licensee meeting the day following the annual Association meeting.

Very truly yours,

C. F. HENNING.

cc Mr George N Lenci
Secretary

11231

Government's Exhibit No. 435

OCTOBER 29, 1935.

MR. F. G. EBSARY, *President*
Ebsary Gypsum Company
Scottsville, New York.

DEAR MR. EBSARY:

This is to advise you that effective November 1 the Board Survey Company has engaged Scott, MacLeish & Falk to act as its attorneys in all matters involving violations of our board licenses, including the analyses of all audits and the handling of any violations disclosed by such audits.

Complaints of violations should, as heretofore, be filed with the Board Survey Company, at its present address, 300 West Adams Street, Chicago, Illinois. However, the complaints will now be immediately referred to Scott, MacLeish & Falk, with full power to investigate and take such action as they deem warranted.

It is believed that this arrangement will lead to a prompt, effective disposition of any complaints of license violations which we as licensor or any of our licensees may have.

Yours very truly,

UNITED STATES GYPSUM COMPANY

C. HENNING,
Vice President.

Copy to
Geo. N. Lenci, N. Y. C.

6136

11232

Government's Exhibit No. 436

EBSARY GYPSUM COMPANY, INC.
414 Ogden Street
NEWARK, N. J.

APRIL 20, 1932.

MR. HOUGH
Newark, N. J.

DEAR MR. HOUGH:

While making my usual dealer calls to-day, I was requested by a dealer located in Union Co. to take an order for 2 M ft. 16x48 Lath & finish the load with Sanded plaster. I explained the new ruling & expressed my regrets that I could not take the order unless 5 M of board was on the load. The dealer then stated that a salesman of Structural Gypsum Co. had called yesterday & informed him that his Company would supply his requirements on Board & Lath in any quantity he desired either delivered or for dealer to pick up at Linden plant. Price same as ours for 5 M ft. deliveries by truck.

To verify their statements I telephoned the Structural Gypsum Co. at Linden, N. J. time 10.30 A.M. to-day & requested to speak to some one regarding Lath.

When ask who was calling I represented my-
11233 self as being a dealer located in Union County, N. J.

They verified dealers statements to me & further went on to say they handled only board & lath as manufactured by Kelley Plasterboard Co. of Delawanna, N. J. They only had on hand 1335 ft. Plasterboard 32x36 & I could call & pick up 1000 ft. of same at any time to-day at 18.44 per M. ft. or any quantity I wanted.

Was informed that Structural salesmen made remark that they now had the other manufacturers where they wanted them as they were not governed by any rulings set up by U. S. G. Co.

Trusting this fully explains matters I remain

Respectfully yours,

TED E. EHRLICHER

11234

Government's Exhibit No. 436-A

APRIL 20, 1932.

MR. HOUGH
Newark, N. J.

DEAR MR. HOUGH:-

While making my usual Dealer calls today, I was requested by a Dealer located in Union County to take an order for 2M. ft. 16x48 Lath and finish the load with sanded plaster. I explained the new ruling and expressed my regrets that I could not take the order unless 5 M. of board was on the load. The Dealer then stated that a Salesman of Structural Gypsum Co. had called yesterday and informed him that his company would supply his requirements on Board and Lath in any quantity he desired either delivered or for Dealer to pick up at Linden Plant. Price same as ours for 5 M ft. deliveries by truck.

To verify their statements I telephoned the Structural Gypsum Co. at Linden, N. J. time 10:30 A.M. today and requested to speak to some one regarding Lath.

When asked who was calling I represented myself as being a Dealer located in Union County, N. J.

They verified Dealers statements to me and further went on to say they handled only Board and Lath as manufactured by Kelley Plasterboard Co. of Delawanna, N. J. They only had on hand 13335 ft. and I could call and pick up 1000 ft. of same at any time today at 18.44 per M. ft. or any quantity I wanted.

Was informed that Structural salesman made remark that they now had the other manufacturers where they wanted them as they were not governed by any ruling set up by U. S. G. Co.

Trusting this fully explains matters, I remain

Respectfully yours,

(signed) TED EHRLICHER

6138

11235

Government's Exhibit No. 437

NEWARK, N. J.

MAY 5, 1932.

EBRARY GYPSUM COMPANY, INC.
New York City

GENTLEMEN:

Attention of Mr. George N. Lenci:

Our Mr. Robinson reports having met Mr. McGraf of the Kelley Company and in talking over the effects of the new board price it was discovered that Kelley Company feels that they are withing their rights and according to Mr. McGraf have already put into effect an exchange system, if that is the proper way to term it.

This is what I understand they are preparing to have done and are doing. If a customer having in stock 4x6 or 4x8 or whatever size they may have and are short 4x10 or 4x12 or in fact any size other than what they have the Kelley Company will exchange with them the size that they want in place of the size that they have too much of and are returning. This seems like a short way around and of course the question may come up as to how much the customer actually returned and how much they are getting and probably leave an open door for a lot of things that we do not quite know how to do.

I thought that you might be glad to have this information and make inquiries regarding it so that this practice which appears to me to be out of order can either be made general or eliminated.

Mr. Diegel told me that he knows of a case where Structural delivered a car in which there was only 2000 feet of board. I just do not recall the name of the concern, but as I advised you some time ago you know Structural's attitude and the feeling they are not bound by any restrictions of the U. S. G. Company, and if they are doing this by the car load it is a question of what might be done in truck loads. We are not running into any irregularities but we might cross the bridge after it is too late and want to get

on record of this one instance of a car load so as to prevent unfair competition in our territory over here.

I think it might be well to refer these two matters to the U. S. G. Company, but keep in mind that the practice of the Kelly Company is just word of mouth and no concrete evidence. If we are able to get a transaction of this kind we will give you the full details, but Mr. Graf is supposed to have said they have done it and are within their rights, or words to this effect.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

C. E. Hough

C. E. HOUGH, *Treasurer*

CEH:L

11236

Government's Exhibit No. 438

MAY 6, 1932.

BOARD SURVEY COMPANY,
300 W. Adams St.,
Chicago, Ill.

GENTLEMEN:

Referring to the recent bulletin of the United States Gypsum Company advising the licensees that selling through Jobbers had been eliminated.

We would advise that Daniel Duskis, Inc., Glendale, L. I. is still buying Certainteed Board through Orin F. Perry, New York.

Also referring to the same bulletin wherein a \$2.00 differential was established between board shipped in mixed carloads and full carloads for Metropolitan New York:

Last week the Tisdale Lumber Company, Flushing, New York bought a mixed carload of Plaster and Board (16,000 sq. ft.) from the Structural Gypsum Corporation. The Boards were made by the Kelley Plasterboard Company at carload price.

6140

We wish that you would make an immediate investigation of these two complaints and advise us as we are most anxious to see this situation cleared up as soon as possible.

It has been called to our attention that the Kelley Company, while they are keeping to the 5,000 sq. ft. minimum sales out of their plant, are permitting dealers who run short of certain sizes of Wallboard to return boards of different sizes and take the equivalent footage in other sizes.

Is this permissible?

11236-A cc: Mr. C. E. HOUGH, *Treas.*

MAY 6, 1932.

PAGE 2.

BOARD SURVEY COMPANY,
300 West Adams St.,
Chicago, Ill.

GENTLEMEN:

It does not seem to us that it should be allowed, as it does not make the dealer carry a sufficient stock which was one of the objects of the change in the selling policy. Please advise regarding this also.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.,

GEORGE N. LENCI,
Secretary.

GNL:G

11237

Government's Exhibit No. 439

NEWARK, N. J.
JUNE 9, 1932.EBSARY GYPSUM COMPANY, INC.
New York City

GENTLEMEN:

Attention of Mr. George N. Lenci:

Confirming our telephone conversation, this will give you the information that the Gyp Steel people will take an order from a dealer for 5,000 feet of board and permit him to come and take this board in any quantity that he wants to truck it in.

This information was obtained by Mr. Bickle from Gornitzky & Company who states that it would not be difficult for anyone to see this practice being carried out at the Steel Plant, because they are running across other trucks, mentioning the Rahway Lumber Company as getting less than the minimum load of 5,000 feet which we are compelled to adhere to.

We will be glad to hear what can be done in this particular case.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

C. E. Hough

C. E. HOUGH,
Treasurer.

CEH:L

6142

11238

Government's Exhibit No. 440

cc: MR. C. E. HOUGH, *Treas.*

JUNE 9, 1932.

MR. C. F. HENNING, V. P.
United States Gypsum Company,
300 West Adams Street,
Chicago, Ill.

DEAR SIR:

Referring to your letter of May 17th regarding Kelley board being sold by the Structural Gypsteel not in accordance with the licensee bulletins.

This condition has not been corrected as the Structural Company are now taking orders for 5000 sq. ft. lots of board permitting dealers to pick up in small lots until the 5000 sq. ft. is all taken.

We have had several instances of this in New Jersey recently and only today we had a specific case—Gornitsky & Company who had been buying small lots at our Newark warehouse until the rules were changed, tried to continue with us on that basis, but we would not do it. Gornitsky then made arrangements with Structural as outlined above and has been picking up small lots at his convenience from Structural.

He got a small load there yesterday and brought it down to our Newark Warehouse so that we could see it and in an endeavor to get us to meet it.

He gave us the names of other dealers who were buying on the same basis but we have as yet no first hand information therefore we are not reporting them now.

Kelley has been making the same proposition to small lumber leaders in New York City and we have been asked by several to meet this condition.

Won't you please personally get back of this matter and get it cleaned up at once and for all time?

11239 MR. C. F. HENNING, V. P.,
United States Gypsum Company,
 300 West Adams Street,
 Chicago, Ill.

DEAR SIR:

It can be done but as it is now Kelley is jumping from one thing to another to evade the clearly laid down rules for the operation of the license agreement.

Let me hear from you soon on this.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

GEORGE N. LENCI,
Secretary.

GNL:G

11240 *Government's Exhibit No. 441*

cc: MR. C. E. HOUGH, *Treas.*

JUNE 25, 1932.

MR. C. F. HENNING, V. P.,
United States Gypsum Company,
 300 West Adams Street,
 Chicago, Ill.

DEAR SIR:

Under date of June 9th we wrote you calling your attention to the fact that dealers were picking up board in lots of less than 5000 sq. ft. from the Structural Gypsum Company. Up to the present time we have not had an acknowledgement to our letter. Will you kindly let us have an acknowledgement by return mail and your assurance that steps are being taken to have this condition corrected?

Thanking you in advance for a reply by return mail, we are,

Very truly yours,

EBSARY GYPSUM COMPANY, INC.,

GEORGE N. LENCI,
Secretary.

GNL:G

6144

11241

Government's Exhibit No. 443

Copy to Mr. Ebsary

JULY 26, 1932.

REGISTERED MAIL

UNITED STATES GYPSUM COMPANY
300 W. Adams St.
Chicago, Ill.

GENTLEMEN:

Attention of Mr. C. F. Henning,
Vice-President

Please refer to our letter to you of July 16th in which we gave you complete details of a delivery of Board made by the Structural Gypsum Company in violation of the License Agreement.

We asked you to acknowledge receipt of that letter and to let us know how this matter was settled. So far we have had no reply.

You must realize that we cannot afford or be expected to keep a man to watch deliveries made from the Structural Plant, but that we look to you for full protection.

We believe that other sales have been made not in accordance with the Agreement, and we believe that we are losing business every day from our old customers who used to come to our Newark Plant to pick up small loads of Board, but who cannot come here now on account of the 5,000 sq. ft. minimum which we are enforcing and that they go to Linden instead.

This is a very serious matter and we would ask that you give it your immediate personal attention, and upon receipt of this letter advise us that it is being investigated and will be taken care of.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCZ,
Secretary.

GNL:L

11242

Government's Exhibit No. 442

JULY 16, 1932.

UNITED STATES GYPSUM COMPANY
300 W. Adams St.,
Chicago, Ill.

GENTLEMEN:

Attention of Mr. C. F. Henning,
Vice-President

Referring to the recent conversation I had with you when you were in New York with reference to the sales of Licensed Board by the Kelley Plaster Company and particularly with reference to sales made of this Board by the Structural Gypsum Company, we wish to file a very vigorous protest based upon the following transaction.

On July 15, 1932 a mixed truck load of Plaster, Lime and Board left the Plant at Linden on Keating's truck bearing the New Jersey license X-41063. This load went direct from Linden to a house at the corner of Longwood & Delwood Aves., Chatham, N. J. and the material was unloaded and put in the house.

This load contained 3200 sq. ft. of 32 x 48 Board, 2-1/2 tons Neat Wood Fiber Plaster, 5/8 ton of Finishing Lime and 2/10 ton Gauging Plaster.

You will note from the foregoing that there were at least three violations.

First — the load went directly to the job, instead of to a Dealer.

Second — there were less than 5,000 sq. ft. of Board on the load.

Third — the total load was less than 7-1/2 tons.

The building had a sign in front of it indicating that all building materials were being furnished by Sears-Roebuck & Company, 155 Washington St., Newark, N. J.

6146

11243

-2-

JULY 16, 1932.

UNITED STATES GYPSUM CO.
C. F. HENNING, *Vice-President*

This complaint is not based upon heresay evidence, but I saw the complete transaction myself from the time the truck left the Structural Plant until it was unloaded and left the job.

Would like to say that we have not seen any recent violation made directly by the Kelley Plaster Company, but evidently Mr. Kelley is unable to control the actions of the Structural Company, and in as much as Kelley as a Licensee has to have your permission to sell the Structural as a Manufacturer below the Dealer's prices, we believe you will agree with us that this permission should be withdrawn.

We would ask that you take this matter up personally and see that this situation is promptly cleared up, as it is very unfair to the other Licensed Manufacturers and we must insist upon this correction.

Kindly acknowledge receipt of this letter and let us know what is done about it.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

11244 July 15th—2 P.M. — Structural Gypsum Co.
Keating truck N J-X-41063

Picked up extra man from N. J. U-10605 mixed load plaster and 32"x48". Took to job direct—House on Longwood Ave. cor. Delwood Ave., Chatham, N. J. Left all board & plaster there. Took back few bags of plaster (5 or 6).

300 pieces 32x48	3200 sq. ft.
50 bags wood fibred neat	2½ tons
25 " finishing lime	5/8 "
4 " gauging plaster	2/10 "

All building materials in this house furnished by Sears Roebuck & Co., 155 Washington St., Newark, N. J.

11245 *Government's Exhibit No. 444*

UNITED STATES GYPSUM COMPANY
300 West Adams Street
Chicago

1ST AUGUST 1932

MR. G. N. LENCI, *Secretary*
Ebsary Gypsum Company, Inc.
414 Ogden Street
Newark, New Jersey

DEAR MR. LENCI:

Acknowledging your letter of July 26, as yet we have had no answer from the Kelley Plasterboard Company regarding the sale of patented board by the Structural Gypsum Company reported by you under date of July 16.

This matter is being handled with the Kelley Plasterboard Company and we will advise you just as soon as we have their reply.

Yours truly,

C. HENNING,
Vice-President

CH HC

6148

11246

Government's Exhibit No. 445

NEWARK, N. J.
AUGUST 10, 1932.

MR. F. G. EBSARY
Scottsville, N.Y.

DEAR MR. EBSARY:-

Mr. Gallagher of the U. S. G. Company called me up yesterday at the request of Mr. Henning. It was in regard to our complaint against the delivery made by the Gyp Steel of less than 500 sq. ft to a job.

He said that Mr. Kelley had personally notified Mr. Williams that no further variations from the license agreement would be permitted and that if it happened once more he would cancel his contract with the Structural.

No doubt we will get a letter from Chicago on this confirming it, but if we don't by Saturday I will write then for it and also look for a reply regarding the Certain-teed-Perry combination.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

11247

Government's Exhibit No. 446

Copy to Mr. Ebsary.

AUGUST 16, 1932.

UNITED STATES GYPSUM COMPANY
300 West Adams St
Chicago, Ill.

GENTLEMEN:

Attention of Mr. C. F. Henning, Vice-President:

Will you please refer to your letter of August 1st with reference to the complaint we made against Kelley Plasterboard Company for the sales of licensed boards by the Structural Gypsum Company.

Will you please advise us whether or not this matter has been settled and whether we may feel assured that the trouble complained of will not happen again.

Please let us hear from you promptly on this.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

11248

Government's Exhibit No. 447

cc: Ed. H. Diegel, *Sales Manager.*
F. G. Ebsary, *President.*
C. E. Hough, *Treas.*
File.

MAY 16, 1932.

BOARD SURVEY COMPANY,
300 West Adams St.,
Chicago, Ill.

GENTLEMEN:

Please let us have a reply to our letter of May 6th.

In addition to the complaints we made in that letter we wish to file a vigorous protest against the Kelley Plasterboard Company for the practice they have established through Dusol, their New York Agent, of making sales of less than 5,000 sq. ft. They are making these sales to some of the small lumber yards who come to them on the plea that their trucks will not hold 5,000 sq. ft. at one time. They get about 2,000 sq. ft. at a time and if necessary offer to pay for and accept an invoice for 5,000 sq. ft., but the board is to be picked up at their convenience.

A sale of this type was made last week by Kelley to the Yorkville Lumber Company. This condition must be stopped at once or the whole wallboard structure will be broken down.

We also wish to file a complaint against Kelley for selling small board under the bulletin price within the past ten days to Robert S. Green of Baltimore.

As licensees we are trying to abide by the bulletins in every way but we cannot sit idly by and see our customers enticed away by these tactics.

Kindly acknowledge receipt of this letter and our letter of the 6th, and let us know that something is being done to definitely correct these conditions.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.,

GEORGE N. LENCE, *Secretary.*

GNL:G

6150

11249

Government's Exhibit No. 448

F. G. Ebsary, *Pres.*

C. E. Hough, *Treas.*

Attached is a copy of USG's acknowledgement to our letter of May 6th. This for your information.

G.N.L.

11250

UNITED STATES GYPSUM COMPANY
300 West Adams St.
CHICAGO, ILL.

MAY 17, 1932.

MR. GEORGE N. LENCI, *Sec'y.*,
Ebsary Gypsum Co., Inc.,
52 Vanderbilt Ave.,
New York, N. Y.

GENTLEMEN:

We have referred the violations referred to in your letter of May 6th to the Board Survey Company, also to the licensee, and have taken the necessary action so that gypsum wallboard and plasterboard manufactured under our patents will be sold in accordance with our license bulletins to you.

The matter of sales by the Certainteed Products Corporation to Orin F. Perry has also had the required attention.

Very truly yours,

UNITED STATES GYPSUM COMPANY,
(Signed) C. HENNING
Vice President.

CFH:WP:G

11251

Government's Exhibit No. 449

cc: F. G. Ebsary, *Pres.*
C. E. Hough, *Treas.*

JUNE 17, 1932.

MR. C. F. HENNING, *V. P.*
United States Gypsum Company,
300 West Adams St.,
Chicago, Ill.

DEAR SIR:

I was sorry to have missed seeing you when you were in New York last week but I was out of town a good part of the time.

Mr. Gallagher asked me to see him on Tuesday which I did.

At that time he took up two matters regarding the Kelley Plasterboard Company — their relations with Dusol and their omission of name and patent numbers from their board. He said the latter would be corrected at once. Will you please confirm this so that our records will be complete.

As to the L. A. Dusol Company, this matter is still open and we would appreciate it if you would investigate it, have it corrected and so advise us. L. A. Dusol is doing quite a business with the small lumber dealers who we all used to sell prior to the April bulletins. We have given you specific cases where they are selling less than 5,000 sq. ft. loads to them at \$30.44. This in spite of the fact that Kelley claims to be selling Dusol at \$28.44 f.o.b. cars New York which leaves \$2.00 for labor, cartage and profit. We believe that the only way L. A. Dusol can work on this basis is through some split with George Dusol who is working as a salesman for the Kelley Plasterboard Company.

Please look into these matters, also several others which still remain open between us so that the conditions complained of may be promptly corrected. Kindly acknowledge receipt.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.,

GEORGE N. LENCI, *Secy.*

GNL:G

6152

11252

Government's Exhibit No. 450

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

JUNE 25, 1932.

MR. GEORGE N. LENCI, *Secy.*,
Ebsary Gypsum Company, Inc.,
52 Vanderbilt Ave.,
New York City.

DEAR MR. LENCI:

Re: Kelley Plasterboard Company

This will acknowledge receipt of your June 17th letter to Mr. Henning regarding the sales of patented wallboard and/or plasterboard by the Kelley Plasterboard Company in violation of their license contract. These matters are being investigated, and, if found to be correct, proper steps to protect the licensor's interests in the matter will be taken.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

11253

Government's Exhibit No. 451

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

AUGUST 18, 1932.

MR. GEO. N. LENCI, *Secy.*,
Ebsary Gypsum Company, Inc.,
414 Ogden Street,
Newark, N. J.

DEAR MR. LENCI:

Re: Orin F. Perry
New York City.

Acknowledging receipt of your letter of August 16, we have had the matter up with the licensee, Certain-teed Products Company, regarding their sales of patented board to Orin F. Perry, New York City at less than the licensor's minimum price to you for such board in such market.

We have only partially completed our investigation in regard to this account, but will advise you immediately when we have concluded same.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6154

11254

Government's Exhibit No. 452

ccMr. C. E. Hough, *Treas.*—Mr. Ebsary says that your cancellation of Abbey's agreement should be in writing. Will you take care of it.

G.N.L.

MAY 26, 1932.

MR. C. F. HENNING, V. P.,
United States Gypsum Company,
Chicago, Ill.

DEAR SIR:

We have your letter of May 23rd with reference to sales of board to the Abbey Company.

When we received your bulletin of April 12th regarding the discontinuance of jobbing arrangements we immediately notified the Abbey Company. Our contract which has been in effect with them prior to our signing the license agreement provides that we give them 60 days notice of cancellation and further that we must take care of any bonafide orders they may have on file at time of cancellation.

In spite of this we agreed that May 1st was to be the date of cancellation and the only order on file to be shipped after that date was for 12,000 sq. ft.

We had no warehouse or trucking arrangement with Abbey and have no jobbing, warehousing or trucking arrangement with anyone else at the present time.

We feel that we have been over scrupulous in matters of this kind and we have suffered through a laxness on the part of other licensees, particularly those mentioned in our letters of May 6th and 16th to the Board Survey Company. We have still no reply from them on either of these letters except your letter of May 17th.

Will you please see that full and complete replies are made so that our confidence may be re-established.

If there is anything specific back of your letter of the 23rd about Abbey, please bring it out into the open so that you can be satisfied, as we assure you that we are working in full accordance with your bulletins.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.
GEORGE N. LENCI, *Secretary*

GNL:G

11255

Government's Exhibit No. 453

cc: F. G. Ebsary, *Pres.*
C. E. Hough, *Treas.*
E. H. Diegel, *Sales Mgr.*

MAY 31, 1932.

BOARD SURVEY COMPANY,
300 W. Adams St.,
Chicago, Ill.

GENTLEMEN:

The April bulletin of the USG Co. notified licensees that the practice of shipping board on consignment would be considered as a rebate and therefore must be discontinued.

We wish to file two vigorous protests against violations of this rule and to ask for an explanation.

Both of these violations occurred since that bulletin and both are by the USG's subsidiary — the Samson Plaster Company.

The shipments on consignment were made to:

Wilcox-Johnson Co., Victor, N. Y.
O'Dell Lumber Co., Webster, N. Y.

An immediate reply will be expected.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

GEORGE N. LENCI,
Secretary.

GNL:G

6156

11256

Government's Exhibit No. 454

NEWARK, N. J.
JUNE 9, 1932.

EBSARY GYPSUM COMPANY, INC.
New York City

GENTLEMEN:

Attention of Mr. George N. Lenci:

Confirming our telephone conversation, we are advised that Louis Brooks of Washington, N. J. endeavored to buy a truckload of board from one of our representatives and being told they were not in the trucking area we were not able to obtain this business.

Since that time we are informed that Tomkins Bros. delivered a truckload of material to them.

We hope you will use every effort running down this information and see whether there is not something that can be done to get this board situation straightened around so that we will not be penalized in our merchandising of the material by keeping strictly to the contract as we interpret it.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.,

C. E. Hough

C. E. HOUGH,
Treasurer.

CEH:L

11257 *Government's Exhibit No. 455*

cc: C. E. Hough, *Treas.*

JUNE 11, 1932.

BOARD SURVEY COMPANY,
300 West Adams St.,
Chicago, Ill.

GENTLEMEN:

Referring to the limited area in New Jersey where we may make truck-load deliveries of board, we were asked a few days ago by Louis Brooks, a dealer in Washington, N. J., to deliver a truckload.

As Washington is in Warren County, we refused. The order was taken and delivery was made by the Tomkins-Rockwall Co. in violation of the license contract.

We wish to file a protest on this and ask that the practice be discontinued and an explanation given.

Please let us have a prompt reply.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

GEORGE N. LENCİ,
Secretary.

GNL:G

6158

11258

Government's Exhibit No. 456

cc: Mr. C. E. Hough, *Treas.*

JUNE 21, 1932.

BOARD SURVEY COMPANY,
300 West Adams St.,
Chicago, Ill.

GENTLEMEN:

This supplements our letter of June 11th wherein we called to your attention a truck-load delivery of board to Louis Brooks, Washington, N. J. outside the restricted area by the Tomkins-Rockwall Company.

Will you kindly let us have an acknowledgement by return mail, and your assurance that an investigation is in progress and that this practice will be discontinued?

Very truly yours,

ESSARY GYPSUM COMPANY, INC.

GEORGE N. LENCIL,
Secretary.

GNL:G

11259

Government's Exhibit No. 457

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

JUNE 23, 1932.

MR. GEORGE N. LENCI, *Secy.*,
Ebsary Gypsum Company,
52 Vanderbilt Avenue,
New York City.

DEAR MR. LENCI:

Re: Louis Brooks
Washington, N. J.

We have your letter of the 11th inst. regarding the sale of patented gypsum wallboard to Louis Brooks of Washington, New Jersey.

Since the minimum price to you for less than carload deliveries of such board in such market as fixed by the licensor is \$36.28 per thousand square feet you were correct in refusing to sell the truckload quantity thereof at less than that price.

We are taking up with the Atlantic Gypsum Products Company the matter of the reported sale to the above account by Tomkins Rockwall Company, which according to the Atlantic Gypsum Products Company is its subsidiary selling organization.

Yours very truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6160

11260

Government's Exhibit No. 458

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

SEPTEMBER 21, 1932.

MR. GEORGE N. LENCI, Secy,
Ebsary Gypsum Company,
414 Ogden Street,
Newark, N. J.

DEAR MR. LENCI:

We are advised that you have recently sold wallboard and/or plasterboard manufactured and sold by you under your license contract with the licensor, U. S. Gypsum Company, to a manufacturer of Gypsum products at less than the licensor's minimum price to you on your sales of patented board without the consent of the licensor as required in your license contract.

Please advise us of your sales of patented board to any gypsum manufacturer, including in your report name of manufacturer, price at which such board is being invoiced and any discount allowed to them that is less than the licensor's minimum price to you for patented board.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

11261

Government's Exhibit No. 459

EBSARY GYPSUM COMPANY, INC.
414 Ogden Street
NEWARK, N. J.

SEPTEMBER 24, 1932.

BOARD SURVEY COMPANY
300 West Adams St
Chicago, Ill

GENTLEMEN:

Referring to your letter of September 21st regarding sales of board to other manufacturers. We are selling board to Connecticut Adamant Plaster Company at New Haven and Atlantic Gypsum Products Company at New York.

Sales to both of these companies are in accordance with the Licensors's Bulletins, less a manufacturers discount of 10% on the Mill price.

Several months ago I told Mr. Henning that we were doing this and he said was correct.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.*George N. Lenci*

G. N. LENCI
Secretary.

GNL:L

6162

11262

Government's Exhibit No. 460

SEPTEMBER 27, 1932

EBBARY GYPSUM COMPANY, INC.,
414 Ogden Street,
Newark, N. J.

Attention Mr. George N. Lenci, *Secretary*.

DEAR SIR:

Referring to your letter addressed to Board Survey Company, September 24. This is to advise you that until you are notified to the contrary, you have our consent to your sale of gypsum wallboard and/or plasterboard embodying the claims and inventions of our patents to the Connecticut Adamant Plaster Company at New Haven and the Atlantic Gypsum Products Company, New York, at dealer's minimum price less 10%. This consent is given on condition that it may be withdrawn by us at any time that we may see fit so to do.

The royalty on all such sales shall, of course, be based upon your regular selling price to your regular dealer trade at the time of such sale and invoice as is provided by our license agreement with you.

Very truly yours,

UNITED STATES GYPSUM COMPANY

Vice President

CFH/WP

11263 , *Government's Exhibit No. 461*

EBSARY GYPSUM COMPANY, INC.
414 Ogden Street
NEWARK, N. J.

DECEMBER 6, 1932.

UNITED STATES GYPSUM COMPANY
300 West Adams St
Chicago, Ill

GENTLEMEN:

Attention of Mr. C. F. Henning,
Vice-President:

Referring to the Board License Agreement, we wish to advise that we have made a change with the Connecticut Adamant Plaster Company, and we are now allowing them a commission of 10% on Plasterboard and Lath and 12-1/2% on Wallboard.

Will you kindly acknowledge receipt of this letter and send us your approval.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

George N. Lenci

G. N. LENCI,

Secretary.

GNL:L

6164

11264

Government's Exhibit No. 462

DECEMBER 23, 1932

MR. F. G. EBSARY, *President*
Ebsary Gypsum Company, Inc.,
Scottsville, New York.

DEAR SIR:

Referring to our letter to you of September 27, 1932, and your letter of December 6, in connection with our consent to sell Gypsum wallboard and plasterboard embodying the claims and inventions of our patents.

This is our consent to sell gypsum wallboard and plasterboard embodying the claims and inventions of our patents, to the Connecticut Adamant Plaster Co. at New Haven, and Atlantic Gypsum Products Company at New York, at the following maximum discounts from f.o.b. mill prices listed in board license bulletin #1:

Wallboard	15%
Plasterboard	12½%

Yours very truly,

UNITED STATES GYPSUM COMPANY

Vice President

11265

Government's Exhibit No. 463

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MAY 8, 1933.

EBSARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: Geo. N. Lenci, *Secy.*

DEAR SIRs:

Re: New Haven Reserve Supply Co.,
New Haven, Connecticut.

We are advised that the Connecticut Adamant Plaster Company, New Haven, Connecticut is offering patented board manufactured and sold by you to the New Haven Reserve Supply Company, New Haven, Connecticut and other New Haven dealers f.o.b. their warehouse in any quantity at the licensor's minimum price to you for minimum carload lots of said patented board, delivered New Haven.

Please advise.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6166

11266

Government's Exhibit No. 464

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MAY 11, 1933.

EBBARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: Geo. N. Lenci, Secy.

DEAR SIRs:

Re: Southbury Lumber Co.,
Southbury, Conn.

We are advised that the Connecticut Adamant Plaster Company, New Haven, Connecticut sold 100 pieces 4x7 patented wallboard manufactured and sold by you to the Southbury Lumber Company, Southbury, Connecticut at the licensor's minimum price to you for patented wallboard. This would hardly seem possible if your sales of patented board to the Connecticut Adamant Plaster Company, New Haven, Connecticut had been made at the licensor's minimum price to you.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6167

11267

Government's Exhibit No. 465

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MAY 29, 1933.

EBBARY GYPSUM COMPANY
414 Ogden Street
Newark, N. J.

Att: Mr. G. N. Lenci, *Treas.*

DEAR SIR:

Re: New Haven Reserve Supply Co.,
New Haven, Connecticut.

May we have a reply to our May 8th letter in regard to
your sales of patented board to the Connecticut Adamant
Plaster Company, New Haven, Connecticut?

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6168

11268

Government's Exhibit No. 466

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MAY 31, 1933.

EBSARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: Geo. N. Lenci, Secy.

DEAR SIRs:

Re: Southbury Lumber Co.,
Southbury, Connecticut.

To date we have had no reply to our letter of May 11 concerning your sales of patented board to the Connecticut Adamant Plaster Company, New Haven, Connecticut.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6169

11269

Government's Exhibit No. 467

EBBARY GYPSUM COMPANY, INC.
414 Ogden Street
NEWARK, N. J.

JUNE 13, 1933.

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill.

GENTLEMEN:

Regerring to your letter regarding the New Haven Reserve Supply Company, we would advise that our customer, the Connecticut Adamant Plaster Company, has made no sales of board to them.

Yours very truly,

EBBARY GYPSUM COMPANY, INC.

George N. Lenci

G. N. LENCI,
Secretary.

GNL:L

11270

Government's Exhibit No. 468

E. H. Diegel:- Please note reply. You will note that I have avoided making a justification of the right of the Conn. Adamant to sell any quantity at the carload price as I feel that it would weaken our case against the Paragon and American Hardwall. They only asked us how Conn. Adamant could resell our board to a Dealer at the Dealer's price, and this I have explained.

G. N. LENCI.

6170

JUNE 13, 1933.

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill

GENTLEMEN:

We have your letter regarding sales of wallboard by the Connecticut Adamant Plaster Company to the Southbury Lumber Company of Southbury, Conn.

The Connecticut Adamant Plaster Company is rated as a manufacturer and we have the permission of the Licensor to sell them as such, making them the usual discount as manufacturers. This naturally enables them to sell board at their plant in New Haven at the correct Bulletin price of \$31.32 FOB New Haven.

Yours very truly,

EBSBARY GYPSUM COMPANY, INC.

GNL:L

G. N. LENCI,
Secretary.

11271

Government's Exhibit No. 469

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

JUNE 15, 1933.

EBBARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: Geo. N. Lenci, Secy.

Re: Southbury Lumber Co.,
Southbury, Connecticut.

DEAR SIR:

With reference to your June 13th letter, the licensor's minimum price to you on patented wallboard in New Haven, Connecticut is \$31.32 per M sq. ft., and not \$31.24 as you indicated in your letter. Please advise us if you are selling patented board delivered in New Haven, Connecticut on the basis of the price you indicate. Further, the licensor's minimum price to you of \$31.32 is for carload shipments.

If you are, through your agent, the Connecticut Adamant Plaster Company, selling patented board f.o.b. the warehouse at the price you indicate, said sale is at less than the licensor's minimum price to you, and it will be necessary for us to report the same to the licensor.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6172

11272

Government's Exhibit No. 470

EBSARY GYPSUM COMPANY, INC.
135th Street & Mott Haven Canal
NEW YORK, N. Y.

NOVEMBER 21, 1932.

MR. G. N. LENCI, Secy.,
Ebsary Gypsum Company, Inc.,
Newark, N. J.

DEAR SIR:

Mr. Broas advises that while he was in Orin F. Perry's office this a.m. he observed a notation on Mr. Perry's desk covering an order for

500 Pcs $\frac{3}{8}$ " Plasterboard
3500 Pcs $\frac{1}{4}$ " Plasterboard

ordered November 11th and shipped to Daniel Duski.

From the above report it does not appear that Certain-
teed has fallen into line and we will appreciate having you
take this matter up with the Board Survey Company,
secure a report and have steps taken to correct this situa-
tion.

However please do not disclose the circumstances in
which we secured this information to prevent any possibil-
ity of embarrassing ourselves with Perry or Duski.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.,

Ed. H. Diegel
ED. H. DIEGEL,
Sales Manager.

EHD:G

11273

Government's Exhibit No. 471

Coppy to F. G. Ebsary
E. H. Diegel

NOVEMBER 28, 1932.

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill.

GENTLEMEN:

This is to advise that on or about November 11th an order was taken by Orin F. Perry of New York for shipment of a carload of board to Daniel Duskis containing 4000 sq. ft. $\frac{3}{8}$ " plasterboard and 28000 sq. ft. $\frac{1}{4}$ " plasterboard.

This is in direct violation of the Bulletins eliminating sales of licensed board through jobbers and commission men.

Will you please investigate this at once and report.

Yours very truly,

F. G. EBSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

6174

11274

Government's Exhibit No. 472

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JULY 29, 1929.

MR. GEO. N. LENCI, *Vice President,*
Ebsary Gypsum Company,
135th St. & Mott Haven Canal,
New York, New York

DEAR SIRS:

There will be a meeting held at the Palmer House at
10:30 A.M. on Tuesday, August, 6, 1929.

Yours very truly,

UNITED STATES GYPSUM COMPANY

C. F. HENNING
Vice President in Charge of Sales

RNMCK:SP

11275

Government's Exhibit No. 473

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

MARCH 26, 1930

MR. GEORGE N LENCI, *V.P.*
Ebsary Gypsum Company
135th St. & Mott Haven Canal
New York, N. Y.

DEAR SIR:

There will be a Licensees' Meeting held Thursday, April
3rd, at 10 o'clock at the Palmer House, Chicago.

Very truly yours,

C. F. HENNING,
Vice Pres. Charge of Sales

CH/HC

11276

Government's Exhibit No. 474

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

MARCH 4, 1931

MR GEORGE N LENCI, *Vice President*
Ebsary Gypsum Company
135th St. & Mott Haven Canal
New York, New York.

DEAR MR LENCI:

Confirming my long distance conversation with Mr Stromquist, the meeting will be held at the Palmer House, Room 836, at three P.M., Tuesday, March 10th.

It is my understanding Mr Stromquist will attend the meeting.

Truly yours,

C. F. HENNING,
Vice President in
Charge of Sales

CH HC

6176

11277

Government's Exhibit No. 475

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

JUNE 4, 1936

MR. GEORGE N. LENCI, *Secretary*
Ebsary Gypsum Company, Inc.,
52 Vanderbilt Avenue
New York, New York

DEAR MR. LENCI:

There will be a meeting of the wallboard licensees held at the Commodore Hotel, New York City, Wednesday, June 10, 1936.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice-President

CFH:HM

11278

Government's Exhibit No. 476

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

FEBRUARY 7, 1936

MR. GEO. N. LENCI, *Secretary*
Ebsary Gypsum Co., Inc.,
52 Vanderbilt Avenue
New York, New York

DEAR MR. LENCI:

There will be a board license meeting at the Commodore Hotel, Wednesday, February 19, 1936, at 10 A.M.

Please advise if you will be present.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. F. HENNING,
Vice-President

CFH:HM

11279 *Government's Exhibit No. 480*

Copy to Mr. Ebsary

DECEMBER 7, 1932.

UNITED STATES GYPSUM COMPANY
300 West Adams St.
Chicago, Ill.

GENTLEMEN:

Attention of Mr. C. F. Henning:
Vice-President

We wish to call your attention to another development in the sale of board by the Structural Gypsum Company.

They have established a Dealer in their own Warehouse at Linden. This allows Structural to buy board at the proper price because it is to all intents and purposes delivered to the Structural but the sales can be made by the Dealer without any restriction whatever.

This permits the Structural to sell Sears-Roebuck & Company and others in less than truckload quantities to the detriment of the other licensees.

This is a very serious matter and we must ask that you get after it at once and give us the protection we are entitled to under our license.

Yours very truly,

EBRARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

6178

11280

Government's Exhibit No. 481

Copy to C. E. Hough
W. P. Regan

NEWARK, N. J.
DECEMBER 19, 1932.

EBSARY GYPSUM COMPANY, INC.
New York City

GENTLEMEN:

Attention of Mr. E. H. Diegel:

At the last Board Meeting in Chicago on December 13th it was decided that Wallboard and Plasterboard must be sold upon the usual terms of the Gypsum business — that is 2-10-30 and not allow to drop back to the slower Lumber terms.

It was also decided to discourage taking Notes or Trade Acceptances wherever possible, and only to take them when it was necessary to secure the payment of doubtful accounts and never to be taken as an inducement to make a sale.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.
G. N. LENCI,
Secretary.

GNL:L

11281

Government's Exhibit No. 482

FEBRUARY 16, 1933.

BOARD SURVEY COMPANY
300 West Adams St
Chicago, Ill.

GENTLEMEN:

We understand that the Warehousing arrangement is still in effect between the National Gypsum Company and the Trygar Lumber Company, Perth Amboy, N. J.

We understood that this was to be discontinued a long time ago and we wish you would please investigate and let us know about it.

Yours very truly

EBSARY GYPSUM COMPANY, INC.
G. N. LENCI,
Secretary.

GNL:L

11282

Government's Exhibit No. 483

OFFICE COMMUNICATION

Date 3/3/33

From ED. H. DIEGEL, S. M.

To G. N. LENCI, Secy.

Subject Eastern Builders Supply Co., Richmond, Va.

We have received the copy of the Board Survey Company's letter to you of February 15th relative to the above.

Since receiving this letter we have asked Garner to look into this and in his report he makes the following statement:

I saw Jim Smith of the Eastern Builders Supply Co., Richmond while in Richmond and he told me that he was handling Univeral Plaster and Board on the same arrangement he orginally had it — commission.

I, though this was the case. That makes two people I got this information from and I will appreciate it if you will take this matter up again. Please let me know what develops.

ED. H. DIEGEL,
Sales Manager.

EHD:G

6180

11283

Government's Exhibit No. 484

MARCH 24, 1933.

BOARD SURVEY COMPANY
300 West Adams St
Chicago, Ill

GENTLEMEN:

Referring further to our letter of February 15th regarding the Eastern Builders Supply Company of Richmond, Va., we have the following report from our Virginia salesman.

'I saw Jim Smith of the Eastern Builders Supply Company, Richmond while in Richmond and he told me that he was handling Universal Plaster and Board on the same arrangement he originally had it — commission'.

We have every reason to believe that Mr. Smith is still working on a commission basis contrary to the License Agreement, and we would appreciate it if you would investigate further and report to us.

Yours very truly,

EBRARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

11284

Government's Exhibit No. 485

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MARCH 28, 1933.

EBBARY GYPSUM COMPANY
414 Ogden Street
Newark, N. J.

Att: Geo. N. Lenci

DEAR SIR:

Re: Eastern Building Supply Co.,
Richmond, Virginia.

Refer to your letter of March 24 and previous correspondence.

The licensee, Universal Gypsum & Lime Company, have submitted data to me, which conclusively shows that Jim Smith of the Eastern Builders Supply Company, Richmond, Virginia has not had the privilege of selling patented board manufactured by the Universal Gypsum & Lime Company since November 1932.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6182

11285

Government's Exhibit No. 486

EBSARY GYPSUM COMPANY, INC.
414 Ogden Street.
NEWARK, N. J.

APRIL 13, 1933.

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill.

GENTLEMEN:

One of our dealers in Boston has just been offered a car-load of lath at the dealer's price by Wyman & Allen Lumber Company of Charlestown, Mass. These people as you know were jobbers of American Gypsum Company board and were supposed to have been put on dealer's basis.

Please investigate this at once and let me hear from you.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

6183

11286

Government's Exhibit No. 487

APRIL 17, 1933.

ESSARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: George N. Lenci, Secy.

DEAR SIR:

Re: Wyman & Allen Lbr. Co.,
Charlestown, Mass.

We acknowledge receipt of your letter of April 13 concerning the sale of plasterboard manufactured and sold by the licensee, American Gypsum Company, under their license contract and embodying the claims and inventions of the licensor's patents.

We appreciate your calling this matter to our attention. You are, however, not specific, and we request that you advise us the name of the dealer to whom this quotation has been made. This will be of material assistance to us in investigating the complaint.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6184

11287

Government's Exhibit No. 489

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MARCH 31, 1933.

EBBARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: Geo. N. Lenci, Secy.

DEAR SIRs:

Re: Wallace & Herring
Alexandria, Virginia.

We are advised that your company has recently sold wallboard and/or plasterboard embodying the claims and inventions of the patents under which you are licensed to Wallace & Herring, Alexandria, Virginia at prices below the licensor's minimum price to you for such board in such market.

Specifically, that you did sell this firm a mixed car-load of plaster and patented board and did not invoice or charge to this firm a certain amount of plaster, and this was also handled so as to reflect to the said Wallace & Herring, Alexandria, Virginia a rebate on the patented board they purchased from you.

Please advise in detail as to your sales of patented board to this firm, and specifically advise us of any donations or credits made in conjunction with your sales of said board.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

11288

Government's Exhibit No. 490

EBSARY GYPSUM COMPANY, INC.
52 Vanderbilt Avenue
NEW YORK, N. Y.

APRIL 10TH, 1933

MR. GEO. N. LENCI, Secretary
Ebsary Gypsum Company, Inc.
414 Ogden Street,
Newark, N. J.

SUBJECT: Wallace and Herring,
Alexandria, Virginia

DEAR SIR:

Referring to the attached letter which you received from Frank M. Miller, Secretary of the Board Survey, we secured regular prices on the board and regular prices on the plaster to apply against protections which we have and are listed on the protected sheets.

There is nothing out of the ordinary on this sale and you can go on record with them accordingly.

Very truly yours,**EBSARY GYPSUM COMPANY, INC.**

ED. H. DIEGEL
General Sales Manager

EHG:G

6186

11289

Government's Exhibit No. 491

Copy to New York Office:-

APRIL 12, 1933.

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill.

GENTLEMEN:

Referring to your letter of March 31st with reference to Wallace & Herring, Alexandria, Virginia, we wish to advise that we have secured from them in every case the full Bulletin price for wallboard or plasterboard under the License Agreement.

Whatever sales of plasterboard have been made to this firm have been made at the prevailing price and no special price made to induce board business.

Yours very truly,

EBRARY GYPSUM COMPANY, INC.

G. N. LENC, Jr.
Secretary.

GNL:L

11290

Government's Exhibit No. 492

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

APRIL 14, 1933

EBSARY GYPSUM COMPANY
414 Ogden Street
Newark, N. J.

Att: George N. Lenci, *Secy.*

DEAR SIRs:

Re: Wallace & Herring
Alexandria, Virginia.

We have your letter of April 12 concerning your sales of patented board to Wallace & Herring, Alexandria, Virginia, and we do not feel that you have fully answered the second paragraph of our March 31 letter.

We asked that you advise us as to whether or not you had donated to this firm plaster so as to reflect to it a rebate on its purchases of patented board from you.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6188

11291

Government's Exhibit No. 493

APRIL 20, 1933.

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill.

GENTLEMEN:

We have your letter of April 14th with reference to Wallace & Herring, Alexandria, Va.

In reply to your inquiry we wish to state definitely that we have made no donation of plaster to these people. Furthermore, that we did not make them any special price on plasterboard in order to induce an order for board.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

GN.L

G. N. LENCI,
Secretary.

11292

Government's Exhibit No. 494

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

JUNE 15, 1933.

EBSARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: Geo. N. Lenci, Secy.

DEAR SIRs:

Re: Waltham Lime Company
Waltham, Massachusetts.

We are advised that your company has recently sold plasterboard embodying the claims and inventions of the patents under which you are licensed to the Waltham Lime Company, Waltham, Massachusetts at prices below the licensor's minimum price to you for such sale.

According to the information that has been given to us, this dealer recently quoted patented plasterboard manufactured by you at \$20.82 per M sq. ft. delivered on a job in Quincy, Massachusetts, which is fourteen miles from Waltham. This would hardly seem possible if your sales of patented board had been made at the licensor's minimum price to you.

It is further alleged that your sales of plaster to this firm have been at less than the market price, same being made so as to reflect to this customer a lower price on its purchases of patented board than the licensor's minimum price to you.

Please advise us in detail as to your sales of patented board to this firm as mentioned herein.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6190

11293

Government's Exhibit No. 495

EBSARY GYPSUM COMPANY, INC.
414 Ogden Street
NEWARK, N. J.

JUNE 20, 1933.

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill

GENTLEMEN:

We have your letter of June 15th regarding Waltham Lime Company.

In reply would advise that our sales of board to the Waltham Lime & Cement Company, which we presume is the company to whom you are referring, have been strictly in accordance with the Bulletins issued under the License Agreement.

Our sales of plaster to this company are made on the same basis as the prevailing prices made by our competitors for similar business and are not made by us with the intent to influence board sales.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

11294

Government's Exhibit No. 496

Subject: Waltham Lime, Waltham, Mass.

JUNE 13, 1933

MR. F. M. MILLER
Board Survey Company
Chicago, Illinois.

E. A. Gallagher reported that the Waltham Lime Company, Waltham, Massachusetts, who sell patented plasterboard as manufactured by the Ebsary Gypsum Company, recently quoted \$20.82 per M delivered to a job in Quincy, Massachusetts, which is fourteen miles from Chelsea.

A price of \$20.82 allows the dealer \$1.50 per M gross profit above the licensor's minimum price on plasterboard delivered to Chelsea.

According to the information we have, the Ebsary Company sold this firm plaster at less than its regular price so as to influence its plasterboard business.

H. F. SADLER
A. V. P.

6192

11295

Government's Exhibit No. 497

JUNE 15, 1933.

EBBARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: Geo. N. Lenci, *Secy.*

DEAR SIRs:

Re: Liberty Coal Company
Chelsea, Massachusetts,

We are advised that your company has recently sold plasterboard embodying the claims and inventions of the patents under which you are licensed to the Liberty Coal Company, Chelsea, Massachusetts at prices below the licensor's minimum price to you for such sale.

According to the information that has been given to us, this dealer recently quoted patented plasterboard manufactured by you at \$20.82 per M. sq. ft. delivered on a job in Quincy, Massachusetts, which is fourteen miles from Chelsea. This would hardly seem possible if your sales of patented board had been made at the licensor's minimum price to you.

It is further alleged that your sales of plaster to this firm have been at less than the market price, same being made so as to reflect to this customer a lower price on its purchases of patented board than the licensor's minimum price to you.

Please advise us in detail as to your sales of patented board to this firm as mentioned herein.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11296

Government's Exhibit No. 498

EBSARY GYPSUM COMPANY, INC.
414 Ogden Street
NEWARK, N. J.

JUNE 20, 1933.

BOARD SURVEY COMPANY,
300 West Adams Bldg.
Chicago, Ill.

GENTLEMEN:

We have your letter of June 15th regarding Liberty Coal Company.

In reply would advise that our sales of board to the Liberty Coal & Cement Company, which we presume is the company to whom you are referring, have been strictly in accordance with the Bulletins issued under the License Agreement.

Our sales of plaster to this company are made on the same basis as the prevailing prices made by our competitors for similar business and are not made by us with the intent to influence board sales.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCE,
Secretary.

GNL:L

6194

11297

Government's Exhibit No. 499

Subject: Liberty Coal; Chelsea, Mass.

JUNE 13, 1933.

MR. F. M. MILLER
Board Survey Company
Chicago.

E A. Gallagher reported that the Liberty Coal, Chelsea, Massachusetts, who sell patented plasterboard as manufactured by the Ebsary Gypsum Company, recently quoted \$20.82 per M delivered to a job in Quincy, Massachusetts, which is fourteen miles from Chelsea.

A price of \$20.82 allows the dealer \$1.50 per M gross profit above the licensor's minimum price on plasterboard delivered to Chelsea.

According to the information we have, the Ebsary Company sold this firm plaster at less than its regular price so as to influence its plasterboard business.

H. F. SADLER
A.V. P.

11298

Government's Exhibit No. 500

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

APRIL 24, 1934.

MR. GEO. N. LENCI, *Secretary*
Ebsary Gypsum Company
414 Ogden Street
Newark, New Jersey.

DEAR MR. LENCI:

Re: Service Masons Supply Company
New York City.

We are informed that your company had recently sold in a carload lot gypsum plasterboard embodying the claims and inventions of the patents under which you are licensed to the Service Masons Supply Company, New York City, at prices below the licensor's minimum price to you for such lath in that market, the reduction of the licensor's minimum price being in the form of allowances on other commodities, the allowances being made to influence the purchase of patented lath from your company and thus reducing the price of such lath.

We desire a verified statement from you fully reporting the sales of such board to the Service Masons Supply Company within the last six months, showing date of sale, amount of board sold, price at which board was invoiced, and the price actually paid by the dealer for such board, including any and all allowances then or subsequently made affecting such shipment.

Yours very truly,

BOARD SURVEY COMPANY

H. F. SADLER
Executive Secretary.

6196

11299

Government's Exhibit No. 501

EBSARY GYPSUM COMPANY, INC.
52 Vanderbilt Avenue
NEW YORK, N. Y.

MAY 3RD, 1934.

BOARD SURVEY COMPANY,
300 West Adams Bldg.,
Chicago, Illinois.

GENTLEMEN:

We have your letter of April 24th regarding the sales of board to Service Masons Supply Company of New York.

During the past six months we have only shipped them one car of board and no truck loads of board. This car was shipped January 26th and contained:

2700 Pcs (21,600 Sq. Ft.)	1/4"-32x36 @ .1205	(\$15.06 per M.)
1500 " (12,000 " ")	3/8 -32x36 @ .129	(16.12 " ")
500 " (4,000 " ")	1/2 -32x36 @ .1475	(18.44 " ")

This carload was well over the minimum load and was charged and paid for at the proper bulletin price.

Furthermore, we wish to state that sales of other materials were paid for at the prices prevailing in the New York market and no special prices or other concessions of any kind were made to influence the sale of this car of board.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.,

G. N. LENCI,
Secretary.

GNL:R

11300

Government's Exhibit No. 502

NOVEMBER 8, 1934.

Day Letter

MR. C. F. HENNING*c/o United States Gypsum Company**300 West Adams Street**Chicago, Illinois.*

Lee story and companys man in Brooklyn is quoting on Kelly board up to two dollars per thousand below license bulletin prices to lumber dealers in New York City. You must investigate and correct this immediately as we look to you for protection under our contract Lee story must be eliminated immediately as a jobber Wire us full information at once tonight

EBSARY GYPSUM COMPANY INC.

11301

Government's Exhibit No. 502-A

First name Joe.

Lee Story & Co Man
Brooklyn

Sells Kelly
Board

Mr. C. E. Hough

(2% off)

Yorkville Sh Co
Williamsburg Sh Co

(Cantor)

Myron Sh Co
Basle

6198

11302

Government's Exhibit No. 503

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

APRIL 22, 1932.

MR. M. H. BAKER, Pres.,
National Gypsum Company,
Buffalo, N. Y.

DEAR MR. BAKER:

We have delayed replying to your several letters of the 21st ult. regarding warehousing arrangements with dealers until we were able to state that the situation had been corrected.

Our attorneys are quite in accord with the opinion of your attorneys that a warehousing arrangement with a dealer whereby that dealer is paid a warehousing charge on gypsum wallboard embodying the claims and inventions of the licensor's patents constitutes a rebate to that dealer on all such board sold to the dealer by the licensee.

Please refer to the licensee letter to you of April 12, 1932 "Supplement to Board License Bulletins Nos. 1, 2 & 3"; "Supplement to Board License Bulletin No. 1", dated April 14, 1932; "Supplement", April 15, 1932; and "Supplement to Board License Bulletins", April 16, 1932.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

11303

Government's Exhibit No. 304

EBSARY GYPSUM COMPANY, INC.
135th Street & Mott Haven Canal
NEW YORK, N. Y.

MARCH 30TH, 1933.

MR. GEO. N. LENCI, Sec.,
Ebsary Gypsum Co., Inc.,
Newark, N. J.

DEAR MR. LENCI:

While at Syracuse this week, I find that the Paragon Plaster Company of that city will supply dealers board at \$1.00 per M sq. ft. above the regular Syracuse price. I consider this unfair competition, due to the fact, that any dealer can call at their warehouse, and obtain any quantity they desire, plus a slight warehouse charge.

For instance, a dealer can call on Paragon Company for, say 2000 sq. ft. of $\frac{3}{8}$ " 16x48 board, and obtain same for \$18.00 per M sq. ft. The mill price is \$15.00, the freight, based from Oakfield, \$2.00 per M sq. ft., plus \$1.00 for unloading cars, warehousing, and loading on to the dealers trucks.

At no time are we allowed to truck into Syracuse, nor the surrounding towns. At no time are we allowed to truck less than 5000 sq. ft. into certain counties. But, the dealers in the vicinity of Syracuse, Utica, and Scranton can call at these various warehouses and obtain any amount they desire.

Even in the counties where we are allowed trucking, if a dealer should call at our mill, which is a warehouse in comparison with the Paragon, we are not allowed to give the dealer less than 5000 sq. ft.

This has also occurred to me. I do not know if the board Paragon sells is shipped to Oakfield, then forwarded to Syracuse, or if it is shipped direct from Delawanna, N. J. to Syracuse, but, at either manner — if Paragon has to pay \$15.00 mill, how can they sell it to dealers at \$18.00 per M sq. ft.? The Kelley plasterboard company must have to do some absorbing of freight rates.

The above for your information.

Very truly yours,

GEORGE F. NEAL

6200

11304

Government's Exhibit No. 505

APRIL 12, 1933.

UNITED STATES GYPSUM COMPANY
Chicago, Ill.

GENTLEMEN:

Attention of Mr. C. F. Henning,
Vice-President:

We are very much disturbed over the Board situation. As we are Licensee's and you expect us to live under the terms of said License Agreement, we are writing to ask you to get the matter of the Oakfield Gypsum Products situation straightened out; also Atlantic Gypsum Company jobbers situation in Providence, Rhode Island; Also the Kelley Situation straightened out with the Structural Gypsum Company and with Cartier of Providence, and any other jobbers situation that no doubt you know of yourselves that are still existing; also the Certain-teed Products Company arrangement with Orin F. Perry.

These matters we feel should have been straightened out long ago as it is doing the Ebsary Gypsum Company, Inc. a great injustice, especially in Scranton, Syracuse and Utica; also in Jersey by the Structural Gypsum Company.

As we are paying you a royalty and as we, the Ebsary Gypsum Company, Inc., are doing everything we know how to do to keep things clean we look to you for protection as these matters have cost us several thousand dollars and we demand that you get these matters straightened out at once.

I do not wish to get personal with any of these companies or with you, but we want a reply on this at once.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

F. G. EBSARY
President.

FGE:L

11305

Government's Exhibit No. 506

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

APRIL 17, 1933.

EBSARY GYPSUM COMPANY
414 Ogden Street
Newark, New Jersey.

Att: F. G. Ebsary, Pres.

DEAR SIR:

Your April 12th letter with reference to the sales of patented board by several licensees at less than the licensor's minimum price to you for such sales has been referred to me by Mr. Henning.

I am compiling the data, and will report on same at our next meeting. Suggest that you have with you at that meeting specific data in connection with the situations you mention in your April 12th letter.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6202

11306

Government's Exhibit No. 508

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO, ILLINOIS

MAY 8, 1933.

EBSARY GYPSUM COMPANY, INC.,
414 Ogden Street,
Newark, N. J.

Att: George N. Lenci, Secy.

DEAR SIRs:

Referring to your May 5th letter addressed to Mr. Henning and to Mr. Ebsary's letter of April 12, we do not feel that you have supplied us with sufficient information, or have given specific cases to substantiate the charges you have made against the various licensees.

Mr. Ebsary registers a complaint against the Atlantic Gypsum Company's sales of patented board to F. B. Lawton, Inc., Providence; Rhode Island; Kelley Plasterboard Company's sales to the Structural Gypsum Company, and to Cartier, Providence, Rhode Island; also Certain-teed's sales of patented board to Orin F. Perry, but in none of these cases did he, then or since, give us specific information that would substantiate the charge that the license contract has been violated.

In the case of the Kelley Plasterboard Company's sales of patented board to the Paragon Company, also the American Hardwall Plaster Company, Utica, New York through the Oakfield Gypsum Products Company, you have based your complaint upon the fact that these firms resell patented board to dealers at \$1.00 M above the licensor's minimum price, which hardly seems to be a sufficient profit if said patented board is purchased at the licensor's minimum price to you. However, you do not substantiate this with specific sales, and we have before us a copy of the American Hardwall Plaster Company's price list dated March 1, 1933, which we are attaching. This price list is contradictory to the information you have given us. You will note that the

prices as shown are f.o.b. warehouse, and deliveries to freight station or auto terminal carry the additional charge of \$1.00 per ton. The price on patented plasterboard is \$2.02 M above the licensor's minimum price, and the price on patented wallboard is \$3.52 M f.o.b. warehouse with trucking additional as noted above.

We have no information which will enable us to dispute the prices as shown on this price list. If you have knowledge that patented board is being sold for less than the prices shown herein, and at a price which would cause you to assume that a sale of patented board had been made at less than the licensor's minimum price to you, we ask that you give us that data in the form of specific cases.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

FRANK M. MILLER,
Executive Secretary.

FMM:AB

6204

11307

Government's Exhibit No. 509

EBSARY GYPSUM COMPANY, INC.
135th Street & Mott Haven Canal
NEW YORK, N. Y.

MAY 17TH, 1933.

MR. GEO. N. LENCI, *Sec.*,
Ebsary Gypsum Co., Inc.
414 Ogden St.,
Newark, N. J.

DEAR MR. LENCI:

In further reference to the board matter at Syracuse and Utica, N. Y. You will recall that I wrote you stating that the Paragon was selling dealers board F.O.B. their warehouse in Syracuse at \$19.00 per M sq. ft. for the lath sizes and \$31.00 for the wallboard sizes.

In addition to the above the board is shipped from Dellawanna, N. J. to them at Syracuse and also to Oakfield. The board at Oakfield is to be placed in their mixed car orders, and the board shipped direct to Syracuse is sold to dealers and also retailed out. The \$19.00 and \$31.00 board is the price charged to dealers calling there, with the usual terms of 2% ten days or 30 days net.

Very truly yours,

GEORGE F. NEAL

11308

Government's Exhibit No. 510

MAY 22, 1933

BOARD SURVEY COMPANY
Chicago, Ill.

GENTLEMEN:

We have your letter of May 8th with reference to sales of licensed board by the Oakfield Gypsum Company and its subsidiaries, Paragon Plaster Company and the American Hardwall Plaster Company.

We note the enclosed price list of the latter Company showing that wallboard is priced \$3.52 per M above the carload price and plasterboard \$2.03 higher than the carload price.

You do not give any information about the Paragon Plaster Company's prices in Syracuse, which Company has been causing us to lose considerable business by permitting Dealers to pick up from their Syracuse Warehouse small quantities of board at little or nothing above that we have to charge our Dealers who take full carloads.

We do not care to give specific instances because the complaint would simply be traced back through us causing us to lose our Dealer's good will as well as his business.

The conditions complained of are common knowledge and should be corrected at once. One solution would be to open up the Counties adjacent to Syracuse and Utica to trucking by all manufacturers on the basis at one time discussed namely \$27.00 Mill for wallboard and \$15.00 Mill for plasterboard plus \$2.00 per M square feet plus actual rail freight to place of destination, delivery to Dealer's Yard only and with the usual 5000 foot minimum.

11309 I am enclosing part of a map of New York State showing the Counties I would suggest that be included: Onondago, Oswego, Oneida, Madison and lower part of Kerkimer County.

Please take this up with the United States Gypsum Company and let us have an early reply.

Yours very truly,

ERSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L
Enc.

6206

11310

Government's Exhibit No. 511

KJUNE 1, 1933

BOARD SURVEY COMPANY
300 West Adams Bldg
Chicago, Ill.

GENTLEMEN:

We would appreciate it very much if you would let us have a reply to our letter of May 22nd regarding sale of licensed board by the Oakfield Gypsum Products Company and its subsidiaries.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

G. N. LENCI,
Secretary.

GNL:L

11311

Government's Exhibit No. 512

EBSARY GYPSUM COMPANY, INC.
52 Vanderbilt Avenue
NEW YORK, N. Y.

MARCH 28TH, 1936.

MR. C. F. HENNING, *Vice President,*
United States Gypsum Company,
300 West Adams Street,
Chicago, Illinois.

DEAR SIR:

Referring to the board license agreement, we are advised that the Delaware Clay Products Company of Pittsburgh, Pa. are jobbing Paragon Oakleaf Gypsum Board to dealers in western Pennsylvania.

This is contrary to the agreement and we will appreciate it if you would investigate it and let us know about it.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.,

G. N. LENCI,
Secretary.

GNL:R

11312

Government's Exhibit No. 513

SCOTT, MAC LEISH & FALK
Law Offices
134 South LaSalle Street
CHICAGO

MAY 9, 1936

EBSARY GYPSUM COMPANY
52 Vanderbilt Avenue
New York, N. Y.

GENTLEMEN:

Attention Mr. George N. Lenci

We are enclosing herewith a memorandum concerning the investigation undertaken by the Board Survey Company as a result of your letter of April 1. Do you believe that any further investigation would develop any facts to the contrary?

Yours very truly,

SCOTT, MAC LEISH & FALK

By CHARLES M. PRICE

CMP:IC

Encl.

cc—Board Survey Company
Kelley—2—Oakfield Gyp. Prod. Co.

6208

11313

Government's Exhibit No. 513-A

**Complaint on Sale of Patented Gypsum Wallboard and
Gypsum Plasterboard in Violation of License to
Manufacture and Sell Such Patented Products**

April 1, 1936.

(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Complaint against Kelley Plasterboard Company
(Manufacturer)

Name of Customer involved Oakfield Gypsum Products Company

Address of Customer involved _____

Date of Violation _____ Shipped From _____ By _____
(Mill) (Rail or Truck)

Type of Violation _____

Footage involved	(Wallboard)	Size	(Wallboard)	Billed Price	(Wallboard)	Price Should Have Been	(Wallboard)
	(Plasterboard)		(Plasterboard)	Per M	(Plasterboard)		(Plasterboard)

Facts Concerning Complaint

We have a report that the Delaware Clay Products Company, Pittsburgh, Pennsylvania are selling Paragon Oakfeaf gypsum board to dealers in western Pennsylvania. In view of the fact that the Oakfield Gypsum Products Company are themselves not manufacturers of gypsum board and that the Kelley Plasterboard Company supply them, we are unable to understand what arrangement or concession is being made that permits them in turn to sell a distributor who is also able to sell dealers at the regular car-load dealer delivered price.

Ebsary Gypsum Company Inc
(Name of Complainant)

By Geo. N. Lenci, Secy

(Title)

(Use reverse side, if more space needed for complaint)

11314

Government's Exhibit No. 514

(C O P Y)

**Complaint on Sale of Patented Gypsum Wallboard and
Gypsum Plasterboard in Violation of License to Manu-
facture and Sell Such Patented Products**

April 1, 1936
(Date)

To:

**Board Survey Company,
300 West Adams Street,
Chicago, Illinois.**

Date of Complaint _____

Name of Customer involved Oakfield Gypsum Products Company

Address of Customer involved _____

Date of Violation _____ **Shipped From** _____ **By** _____

(Mill) (Rail or Truck)

Type of Violation _____

Footage Involved	{	(Wallboard)	Size	{	(Wallboard)	Billed	{	(Wallboard)	Price	{	(Wallboard)	Price	{	(Wallboard)	Should	{	(Wallboard)
		(Plasterboard)			(Plasterboard)			Per			(Plasterboard)			Have			(Plasterboard)
						M						Been					

Licensee's Explanation

5/1/36

Today the writer spoke to Mr. E. L. Merriman, Treasurer of the Paragon Plaster & Supply Co., and brought to his attention the complaint which was registered. He advised me that the Delaware Clay Products Co. sell Plasterboard for them without any compensation. It is necessary for them to sell Plasterboard in order to secure business for Plaster, and meet competition of mixed carload shipments. All sales are made at the scheduled price, and no compensation is allowed to the Delaware Clay Products Co. on any sales of Wallboard or Plasterboard by them.

Kelley Plasterboard Company, Inc.,
(Name of Licensee)

By S. J. Kelley

President

(Title)

6210

11315

Government's Exhibit No. 515

**Complaint on Sale of Patented Gypsum Wallboard and
Gypsum Plasterboard in Violation of License to Manu-
facture and Sell Such Patented Products**

April 1, 1936
(Date)

To:

**Board Survey Company,
300 West Adams Street,
Chicago, Illinois.**

Date of Complaint _____

Name of Customer involved Oakfield Gypsum Products Company

Address of Customer involved _____

Date of Violation _____ Shipped From _____ By _____
(Mill) (Rail or Truck)

Type of Violation _____

Footage involved	(_____)	Size	(_____)	Billed	(_____)	Price	(_____)
	(Wallboard)		(Wallboard)	Price	(Wallboard)	Should	(Wallboard)
	(_____)		(Plasterboard)	Per	(_____)	Have	(_____)
	(Plasterboard)		(Plasterboard)	M	(Plasterboard)	Been	(Plasterboard)

Licensee's Explanation

5/1/36.

Today the writer spoke to Mr. E. L. Merriman, Treasurer of the Paragon Plaster & Supply Co., and brought to his attention the complaint which was registered. He advises me that the Delaware Clay Products Co. sell Plasterboard for them without any compensation. It is necessary for them to sell Plasterboard in order to secure business for Plaster, and meet competition of mixed carload shipments. All sales are made at the scheduled price, and no compensation is allowed to the Delaware Clay Products Co. on any sales of Wallboard or Plasterboard by them.

Kelley Plasterboard Company, Inc.,
(Name of Licensee)

By S. J. Kelley

President

(Title)

(Use this Form to Answer Complaints From Board Survey Co.)

11316

Government's Exhibit No. 516

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

SEPTEMBER 11, 1936

MR. G. N. LENCI, *Secretary*
Ebsary Gypsum Company
52 Vanderbilt Avenue
New York, New York

DEAR SIR:

Replying to yours of September 8, an error was made in the pickup price for cutstock, which is being rectified by special bulletin. The pickup price is \$15.00 instead of \$13.50.

Cutstock was eliminated due to the fact that licensees and licensor were cutting new board to supply demand. This was thoroughly discussed and approved of by Mr. Ebsary at the licensee meeting in New York, September 10.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. HENNING
Vice-President

CFH:HM

6212

11317

Government's Exhibit No. 517

SEPTEMBER 14, 1936.

Mr. C. F. HENNING, *Vice President,*
United States Gypsum Company,
300 West Adams Street,
Chicago, Illinois.

DEAR SIR:

I understand from Mr. Ebsary who attended the recent Board License Meeting in Buffalo that there was considerable discussion regarding the promotion of 3/8" 16x48 Gypsum Lath in the Metropolitan New York Area.

We have carefully considered this matter and we certainly would like to secure business now going to Wood Lath and other substitutes and if you think it necessary to make a cut in the price of Gypsum Lath in order to bring this about we would suggest a \$14.00 carload price and a \$15.00 truckload price. You must realize that with our mill in Upstate New York we are under a considerable freight handicap in getting our material to the New York market and this very materially reduces our mill price.

We believe that should you decide to give this a trial it should be confined to the four Long Island Counties in order to prevent it spreading to New Jersey where it is now being used in considerable quantities.

We would be glad to have you give this matter your consideration and let us hear further from you about it.

Yours very truly,

EBSARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
Secretary.

11318

Government's Exhibit No. 518

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

SEPTEMBER 18, 1936.

MR. GEORGE N. LENCI, *Secretary*
Ebsary Gypsum Company, Inc.
52 Vanderbilt Avenue
New York City

DEAR MR. LENCI:

Thanks for yours of September 4, and I wish to register that you are the first one of the licensees to reply to my request. It is only too bad that you were not at the meeting where we outlined in detail our program, and also told of our experience in converting the California wood lath market to gypsum lath. It was necessary to introduce a price more competitive to wood lath, and, after the material was established, it was possible to increase our price because the quality of the plaster wall demonstrated the value at the additional cost. I am afraid that the prices outlined in your letter are not sufficiently low competitively to really tap the market considering the resistance against small board.

In order to get full appreciation of the problems, I ask that you get in touch with Mr. Gallagher and have him give you all the data that he developed for me relative to competitive costs on gypsum lath, Ecod and wood lath. Also go over with him the restricted market and the material on which we may want to make the trial.

Yours truly,

UNITED STATES GYPSUM COMPANY

C. HENNING,
Vice-President.

CFH:AB

6214

11319

Government's Exhibit No. 519

EBBARY GYPSUM COMPANY, INC.
52 Vanderbilt Avenue
NEW YORK, N. Y.

JULY 20, 1938.

MR. LENCI:

For your information the Certainteed Products Company have made a jobbing arrangement with the Building Material Wholesalers Inc., Rutherford Avenue, Charlestown, Mass.

This is the wholesale end of the L. Grossman Co. Inc., Quincy, Mass. and they do all of the purchasing for lumber and building materials for the nine yards of the L. Grossman Co.

We have had this business for the past 10 years for all of these yards and can still have it price being equal.

This for your information.

E. J. Blanchfield
E. J. BLANCHFIELD

11320

Government's Exhibit No. 520

JULY 22, 1938,

UNITED STATES GYPSUM CO.,
300 West Adams Street,
Chicago, Illinois.

GENTLEMEN:

Referring to the board license agreement, it has been called to our attention that the Certainfeed Products Company have made a jobbing arrangement with the Building Material Wholesalers Inc., Rutherford Ave., Charleston, Mass.

The above mentioned Company is the Wholesale Division of L. Grossman & Sons of Quincy, Mass. and they do all of the purchasing of lumber and building materials for the nine different yards of the Grossman Company.

We have been selling Grossman Wall Board and Lath for a number of years and this jobbing arrangement which is not permitted by the board license agreement will cause us to lose this Grossman business.

We feel that we are justified in filing a complaint in this matter and would appreciate it if you would make an early investigation and see that this condition is corrected and also acknowledge receipt of this letter.

Yours very truly,

EBSARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
Vice President.

GNL:R

6216

11321

Government's Exhibit No. 521

AUGUST 30, 1938,

UNITED STATES GYPSUM COMPANY,
300 West Adams Street,
Chicago, Illinois.

GENTLEMEN:

We would appreciate it very much if you would let us have a reply to our letter of July 22nd in which we inquired about the jobbing arrangement made by the Certainteed Products Company with the Building Material Wholesalers Inc., of Charlestown, Mass.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.,

GEORGE N. LENCI,
Vice President.

GNL:R

11322

Government's Exhibit No. 522

SEPTEMBER 15, 1938.

UNITED STATES GYPSUM COMPANY,
300 West Adams Street,
Chicago, Illinois.

GENTLEMEN:

We have not received your reply to our letters of July 22nd and August 30th in which we inquired about the jobbing arrangement made by the Certainteed Products Company with the Building Material Wholesalers Inc., of Charlestown, Mass.

Won't you be good enough to give this your early attention?

Yours very truly,

EBSARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
V. President.

GNL:R

11323

Government's Exhibit No. 523

CARDIFF GYPSUM COMPANY
The Able Independent
Manufacturers of Quality Plaster since 1895

Fort Dodge - Iowa

JULY 31, 1939.

MR. FRED EBSARY, *President,*
Ebsary Gypsum Company,
52 Vanderbilt Avenue,
New York, New York.

DEAR MR. EBSARY:

From time to time we have considered going into the gypsum roof deck business, especially here in Chicago. U. S. G. and National have a monopoly on this at the present time; Certaineed not being active in it and none of the independents bothering with it. Through our sand and gravel operations here we are in close touch with a number of contractors who do this type of work, and we believe that we could secure a substantial portion of the business if we went after it.

Our difficulty is the lack of the required gypsum board to lay on the purlins. I am wondering whether you manufacture a gypsum board for this purpose, and, if so, whether you would consider shipping it to Chicago and on what basis. There is a bid coming up on August 10th for a roof on one of the city buildings, and even if we cannot get ready to bid this we might make arrangements now so we could go after future work. I shall be glad to hear from you on the subject.

Our business so far this year has been about 20% ahead of last year, and we are maintaining this rate currently. We hope for a pretty decent year. How are things with you?

Please accept my best personal regards. I may be in New York shortly, and, if so, I shall stop in to see you.

Yours cordially,

EZRA SENSIBAR,
President.

CARDIFF GYPSUM COMPANY.

ES:K

AUGUST 3, 1939

CARDIFF GYPSUM COMPANY
Fort Dodge, Iowa

Attention of Mr. Ezra Sensibar, Pres.

GENTLEMEN:

Mr. Ebsary has received your letter of July 31st and handed it over to me to reply as to the prices on Board.

It is our understanding that the price of 3/8" Wall Board is \$23.55 and 1/2" Wall Board \$25.75 to Dealers FOB cars Chicago, and we could sell you our 3/8" Wall Board in carload lots at \$20.68 and 1/2" Wall Board at \$22.78 FOB cars Chicago. This Board would be in the 32" or 48" widths and in any length from 4 to 12 feet in even feet. It will be our regular Wall Board with the cream paper on face and grey on back.

If you can use 32"x48" Plaster Board with a round edge and grey paper on both sides the prices on the 3/8" to Dealers in Chicago is \$15.55, and for the 1/2" \$17.00, and on this we could quote you \$14.42 for the 3/8" and \$15.95 for the 1/2" in carload lots FOB Chicago.

We will be very glad to have you give this your consideration and we could make prompt shipments of any orders you place with us.

We note what you say about business conditions and they are running about the same here with us in the East, except that competition is very keen and Plaster prices very low all along the Atlantic Seaboard.

With very kindest regards, beg to remain

Yours very truly,

EBSARY GYPSUM COMPANY, INC

GEORGE N. LENCI,
Vice-President

11325

Government's Exhibit No. 525

CARDIFF GYPSUM COMPANY
The Able Independent
Manufacturers of Quality Plaster since 1895
Fort Dodge - Iowa

CHICAGO ILLINOIS, AUGUST 3, 1939

MR. GEORGE N. LENCI,
Ebsary Gypsum Company,
52 Vanderbilt Ave.,
New York, N. Y.

DEAR MR. LENCI:

Mr. Ezra Sensibar has asked me to work on the matter of Wall Board as outlined in your letter of August 3rd.

We have checked over the prices included in your letter, and find that the Wall Board prices are correct, namely \$23.55 for 3/8" and \$25.75 for 1/2" board. These are dealer prices.

However, the prices you mention on the 32" x 48" board seems to be what is called Liner Board. We will work with the prices you mention and see what can be developed in relation to the roofing business.

In addition to the Wall Board tonnage that this market furnishes, there is considerable volume of rock lath tonnage that we are able to deliver. This applies not only to Chicago and Milwaukee markets, but to points in Illinois, St. Louis Missouri, and Southern Territory.

Rock lath sells here for \$13.50 (3/8") and \$15.75 (1/2")—all sizes, 16 x 32 or 32 x 48 inches. We wonder if it would be possible for you to supply the necessary rock lath if we went after the business.

As soon as we can get more specific information as to sizes required for the roofing contractors, we will post you. In the meantime, we would appreciate word about the rocklath matter.

Very truly yours,

M. GUTMAN

CARDIFF GYPSUM COMPANY.

6220

11326

Government's Exhibit No. 526

AUGUST 10, 1939.

CARDIFF GYPSUM COMPANY,
Box 705,
Fort Dodge, Iowa.

DEAR SIRs:

We have Mr. Gutman's letter and note what you say regarding our quotations in Chicago.

What is known as gypsum lath sells for \$13.55 for 3/8" and \$15.75 for 1/2" to dealers in Chicago and the sizes are 16x32 and 16x48, the great majority of the business being in the 16x48 size. 32x48" Board is not lath but is classified as liner board and the prices for that are \$15.55 for 3/8" and \$17.00 for 1/2" to dealers, f.o.b. cars Chicago.

Practically no 1/2" gypsum lath is sold and the best price which we could make to you on the 3/8" lath would be \$12.92 f.o.b. cars Chicago.

At the present writing we have no freight rates in this office to points in Illinois, Missouri and the Southwest, but if you will give us a list of specific points at which you want prices I will be very glad to check them up and if the freight absorption is not too great we will quote you. In the meantime we will be very glad to hear from you further regarding the Wall Board for roof construction.

Yours very truly,

EBRARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
Vice President.

GNL:R

11327

Government's Exhibit No. 527

SEPTEMBER 18, 1939

CARDIFF GYPSUM COMPANY,
Box 705,
Fort Dodge, Iowa.

DEAR SIRs:

I am writing to ask if you have had a further opportunity of considering the matter about which we write you on August 10th and September 1st, as we rather thought we would have a letter from you after Mr. Sensibar's visit to New York.

If there is any way that we can cooperate with you in this matter we hope you will let us hear from you.

Very truly yours,

EBSARY GYPSUM COMPANY INC.,

GEORGE N. LENCH,
Vice President.

GBL:R

6222

11328

Government's Exhibit No. 528

CARDIFF GYPSUM COMPANY
The Able Independent
Manufacturers of Quality Plaster since 1895

Fort Dodge - Iowa

CHICAGO ILLINOIS, SEPTEMBER 18, 1939

MR. GEORGE N. LENCI,
Ebsary Gypsum Company,
52 Vanderbilt Ave.,
New York, N. Y.

DEAR MR. LENCI:

Mr. Sensibar has discussed his visit with you since my letter of August 3rd, and has asked me to send you a list of some of the points in which we are interested, as to wallboard and gypsum lath. I am attaching this list, with controlling rates.

We have been in touch with a roofing engineer who formerly worked for the USG and who is interested in doing some gypsum-roof work on his own account, and expect to gather some data from him in the next few days. This work involves wallboard, of course, and the tonnage and sizes would be more or less influenced to a particular job.

It has been Mr. Sensibar's suggestion that it is convenient for you, he would like me to come to New York the first of next week to put in a day or two going over the board situation. I would also like to have the opportunity to visit your plant at Wheatland at this time.

Let me know whether you can spare the time, as I know that the Employing Plasterers' Convention is going to be in session commencing next Monday.

Yours very truly,

M. GUTMAN,
CARDIFF GYPSUM COMPANY,
33 N. LaSalle St., Chicago, Ill.

11329

Government's Exhibit No. 528—p. 2

CARDIFF GYPSUM COMPANY
The Able Independent
Manufacturers of Quality Plaster since 1895

Fort Dodge - Iowa

CHICAGO ILLINOIS, SEPTEMBER 18, 1939

Destination Points on 3/8" Gypsum Lath.

<i>Destination</i>	<i>Controlling Point</i>	<i>Rate.</i>
Chicago Illinois	E. Chicago	55¢ M Switch.
Peoria Ill	" "	17¢
St. Louis Mo.	" "	18¢
Kansas City Mo.	Fort Dodge Ia.	29¢
St. Joseph Mo.	" " "	26¢
Milwaukee Wis.	E. Chicago	13¢
Madison Wis.	" "	15¢
Wausau Wis.	" "	24¢
Wisconsin Rapids Wis.	" "	24¢
Dubuque Ia.	Fort Dodge Ia.	13¢
Indianapolis Ind.	E. Chicago	18¢
Birmingham Ala.	Saltville	36¢
Jackson Miss.	Jax & Sav.	43¢
Shreveport La.	Acme	35¢
New Orleans La.	Jax	43¢
Minneapolis Minn.	Fort Dodge	25¢
Cincinnati Ohio	Oakfield	26¢

6224

11330

Government's Exhibit No. 529

SEPTEMBER 28, 1939

UNITED STATES GYPSUM COMPANY,
300 West Adams Street,
Chicago, Illinois.

DEAR SIR:

Referring to the Board License agreement, we are writing to ask for your permission for us to sell our board to the Cardiff Gypsum Company as a gypsum manufacturer.

Your early reply will be greatly appreciated.

Very truly yours,

EBSARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
Vice President.

GNL:R

11331

Government's Exhibit No. 530

CARDIFF GYPSUM COMPANY
 The Able Independent
 Manufacturers of Quality Plaster since 1895

Fort Dodge - Iowa

CHICAGO, ILLINOIS, SEPTEMBER 29, 1939

MR. GEORGE N. LENCI,
Ebsary Gypsum Company,
52 Vanderbilt Ave.,
New York N. Y.

DEAR MR. LENCI:

I had a very fine visit at your plant yesterday and went through the whole lay-out with Mr. Wilbur. You are certainly entitled to a lot of admiration for the way your plant is laid out and for the type of equipment you are using.

We are going to start in right away to line up some board and lath business. In the meantime, we want to stock a car at Fort Dodge Ia., so that our men in the Western territory can fill orders with both board and lath.

Acting on Mr. Winslow's suggestion, we had planned to have you ship the following carload:

50 pieces	4 x 8	(1200 ft)
50 "	4 x 7	(1200 ft)
250 "	4 x 8	(8000 ft)
80 "	4 x 9	(2880 ft)
40 "	4 x 10	(1600 ft)
Plain lath	16 x 48	12000 ft
Perforated lath	"	3000 ft

When you ship to the mill you will naturally use your own bill of lading. I am sending Mr. Winslow a letter authorizing him to sign as our agent on bills of lading to points of destination other than Fort Dodge, and will furnish our bills of lading.

We learn from Mr. Henley that there is no restriction at Fort Dodge on truck pick-ups as to minimum requirements, although there is the usual price mark-up of \$1.00 per M ft.

11332 Will you kindly arrange with your billing department to send a copy of all invoices to this office, as well as the original which will go to Fort Dodge.

As soon as you have checked the figures which we went over, will you send me a complete sheet of the delivered prices, amount of discount, and actual discount based upon your average weight agreement. Then, as we add different points of destination we can keep identical diuplicate sheets.

We are sending you some rate schedules and supplements in accordance with our arrangement.

Mr. Sensibar sends his regards to both you and Mr. Ebsary.

Very truly yours,

M. GUTMAN,
CARDIFF GYPSUM COMPANY
33 N. LaSalle St., Chicago Ill.

11333 *Government's Exhibit No. 531*

OCTOBER 3, 1939.

SERIAL

UNITED STATES GYPSUM COMPANY
300 West Adams Street
Chicago, Illinois.

Please let us have prompt reply our letter september twenty eighth regarding Cardiff.

EBRARY GYPSUM COMPANY INC.

11334

Government's Exhibit No. 532

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

OCTOBER 3, 1939

EBBARY GYPSUM COMPANY
52 Vanderbilt Avenue
New York, N. Y.

Attention: Mr. George N. Lenci, Vice-President

GENTLEMEN:—

Only yesterday I received your letter of September 28. I have not yet had opportunity to discuss your request with our people but will do so as soon as possible and advise you.

Yours very truly,

UNITED STATES GYPSUM COMPANY

SFB-hs

By S. F. BARTLETT

11335

Government's Exhibit No. 533

OCTOBER 7, 1939

SALES DEPARTMENT:

We have secured a credit report on the Cardiff Gypsum Company, Fort Dodge, Iowa.

This concern refuses to furnish a financial statement and an involuntary petition in bankruptcy was filed under the Trade reports slow to 60 days. On October 6, 1934 Section 77-B and the present business represents a reorganization which took place in July 1935.

In the absence of any more detailed information we believe it advisable to extend credit for one car only.

F. W. ALLEN
Secretary

6228

11336

Government's Exhibit No. 534

OCTOBER 11, 1939.

SERIAL

UNITED STATES GYPSUM COMPANY
300 WEST ADAMS STREET
CHICAGO, ILLINOIS.

MUST HAVE PROMPT REPLY OUR REQUEST CAR-
DIFF GYPSUM COMPANY.

EBSARY GYPSUM COMPANY INC.

11337

Government's Exhibit No. 535

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

OCTOBER 12, 1939

EBSARY GYPSUM COMPANY, INC.
52 Vanderbilt Avenue,
New York, New York

DEAR SIRs:

* Referring to your telegram of the 11th, the matter is
having our consideration and we expect to reply within
a few days.

Yours very truly,

UNITED STATES GYPSUM COMPANY

SFB:s

S. F. BARTLETT,
Director of Trade Extension

11338

Government's Exhibit No. 536

OCTOBER 13, 1939.

AIR MAIL

CARDIFF GYPSUM COMPANY,
33 North LaSalle Street,
Chicago, Illinois.

Att: M. M. Gutman.

DEAR SIR:

Referring to telephone conversation we are writing you today as promised.

We did not hear anything further from the United States Gypsum Company regarding permission to ship you under the Board License Agreement and we have therefore wired them again insisting on a prompt reply.

We hope to have something definite from them not later than Monday when we will again communicate with you. We are very sorry for this delay.

Yours very truly,

EBSARY GYPSUM COMPANY INC.,
GEORGE N. LENCI,
Vice President.

6230

11339

Government's Exhibit No. 537

CARDIFF GYPSUM COMPANY
THE ABLE INDEPENDENT
Manufacturers of Quality Plaster since 1895

FORT DODGE - IOWA

CHICAGO ILLINOIS, OCTOBER 14, 1939

MR. GEORGE N. LENCI,
Ebsary Gypsum Company,
52 Vanderbilt Ave.,
New York N. Y.

DEAR MR. LENCI:

We have your letter of October 13th and hope that by Monday you will be able to start shipments of board and plaster.

On the strength of our arrangement I secured the following order for gypsum lath which is to be shipped immediately:

30,000 ft gypsum lath, plain. Destination Wilmette Illinois at yard of Evanston Fuel & Material Company. Stop-over at Highland Park Ill., at yard of Paul Borchardt. C & N. W. delivery at both points.

This is a split car, so it will be necessary to brace the loading so that the first stop can take out his half of the car. I am assuming that this can be arranged.

Please notify me as soon as convenient when this shipment will leave.

Enclosed please find freight rate supplements.

With regards,

Very truly yours,

M. GUTMAN

CARDIFF GYPSUM COMPANY
33 N. LaSalle St., Chicago Ill.

CC Fort Dodge

11340

Government's Exhibit No. 538

OCTOBER 16, 1939.

MR. S. F. BARTLETT:
*United States Gypsum Co.,
300 West Adams Street,
Chicago, Illinois.*

MY DEAR MR. BARTLETT:

I have your letter of October 12th regarding our request for permission under the Board License Agreement, to make shipments to the Cardiff Gypsum Company as a gypsum manufacturer.

Our first request to you was under date of September 28th and we wired you on October 3rd and October 11th and the only word we have gotten from you is, that the matter is having your consideration.

We really feel that plenty of time has elapsed for you to reach a decision in this matter and we must ask that you write us one way or the other by return mail.

Yours very truly,

EBSARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
Vice President.

6232

11341

Government's Exhibit No. 539

OCTOBER 16, 1939.

AIR MAIL

CARDIFF GYPSUM COMPANY,
33 N. LaSalle Street,
Chicago, Illinois.

Att: Mr. M. Gutman.

DEAR SIRs:

We have your letter of October 14th and we are also in receipt of a letter from the United States Gypsum Company advising that they are now giving this matter of approval their consideration and that they will let us hear from them in a few days. This letter was dated October 12th so we certainly should hear from them on Wednesday at the latest.

I am writing them again to hurry this matter through, and in the meantime, I believe we had better hold up any shipments until we hear further from them and I will write you again on Wednesday.

Yours very truly,

EBSARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
Vice President.

11342

Government's Exhibit No. 540

CARDIFF GYPSUM COMPANY
THE ABLE INDEPENDENT
Manufacturers of Quality Plaster since 1895

FORT DODGE - IOWA**CHICAGO ILLINOIS, OCTOBER 17, 1939**

MR. GEORGE N. LENCI,
Ebsary Gypsum Company,
52 Vanderbilt Ave.,
New York N. Y.

DEAR MR. LENCI:

Thank you for your prompt reply to my letter of October 14th. We note that you are still waiting for a reply from the United States Gypsum Company.

Frankly it appears to us that they are stalling, as they indicated in previous exchange of correspondence with you that the reply to your request would be forthcoming at least a week to ten days ago. It is certain that you have been conscientious as to your obligation under the terms of your contract, and are entitled to a definite answer without any further delay upon their part.

We are in a rather embarrassing spot in this matter as we have notified our salesmen to take orders for lath and board and the particular order which was mailed to you on Saturday is urgent.

May we suggest that if no definite reply is received from the licensor by Wednesday you ship the Highland Park and Evanston order under your own billing. You can also ship the Fort Dodge car on the retail basis and we can discuss the matter of commission allowance when the issue in question has been settled.

Yours very truly,

M. GUTMAN
CARDIFF GYPSUM COMPANY
33 N. LaSalle St., Chicago Ill.

6234

11343

Government's Exhibit No. 541

OCTOBER 21, 1939.

CARDIFF GYPSUM COMPANY,
33 N. LaSalle Street,
Chicago, Illinois.

Att: Mr. M. Gutman.

DEAR SIR:

Referring to your letter of October 17th, we have still not received permission under the License Agreement to make sales of board to you as a gypsum manufacturer.

Mr. Bartlett was in New York this Thursday and he promised to take it up just as soon as he returned to Chicago, so we should hear something from the U S G Company the first of the week.

We are very sorry indeed for the delay in this matter but we would much prefer to hear definitely from them before we make any shipments and we would also prefer not to make direct sales to your customers as suggested, until this matter is straightened.

Yours very truly,

EBBARY GYPSUM COMPANY INC.,

GEORGE N. LENCI,
Vice President.

11344

Government's Exhibit No. 542

NA 62 16-Z Chicago Ill 1245P Oct 21 1939

EBSARY GYPSUM COMPANY INC=
52 VANDERBILT AVE=REFERRING YOUR SEPTEMBER TWENTY NINE
AND SUBSEQUENT WIRES WE HAVE CONCLUDED
NOT TO GIVE OUR CONSENT=

UNITED STATES GYPSUM COMPANY.

11345

Government's Exhibit No. 542

OCTOBER 25, 1939.

STRAIGHT TELEGRAM
CARDIFF GYPSUM COMPANY
33 N. LASALLE STREET
CHICAGO, ILLINOIS.LICENSOR HAS TELEGRAPHED THAT THEY WILL
NOT GIVE CONSENT FOR US TO SELL BOARD TO
YOU WE REGRET THIS AND IF ANYTHING FUR-
THER DEVELOPS WILL ADVISE YOU.

EBSARY GYPSUM COMPANY INC.

11346

Government's Exhibit No. 544

1935 NOV 8 AM 10 05

CAL74 13=ZG NEWYORK NY 8 1043A

UNITED STATES GYPSUM CO=
300 WEST ADAMS ST=WIRE IMMEDIATELY PERMISSION TO SELL LI-
CENSED BOARD TO AMERICAN CYANAMID AT
MANUFACTURERS DISCOUNT=

EBSARY GYPSUM CO INC.

6236

11347

Government's Exhibit No. 545.

Confirmation of Telegram United States Gypsum Co.

NOVEMBER 8, 1935.

**EBSARY GYPSUM COMPANY
52 VANDERBILT AVE
NEW YORK CITY**

**UNTIL NOTIFIED TO CONTRARY YOU HAVE OUR
CONSENT TO SELL PATENTED GYPSUM WALL-
BOARD AND OR PLASTERBOARD EMBODYING
CLAIMS AND INVENTIONS OF OUR PATENTS TO
AMERICAN CYANAMID AT FOLLOWING MAXIMUM
DISCOUNT FROM FOB MILL PRICES LISTED IN
BOARD LICENSE BULLETIN NUMBER ONE VIZ
WALLBOARD FIFTEEN PERCENT AND PLASTER-
BOARD TWELVE AND ONE HALF PERCENT**

**UNITED STATES GYPSUM COMPANY
C F HENNING VICE PRESIDENT**

11348

Government's Exhibit No. 546

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

NOVEMBER 8, 1935.

ESSARY GYPSUM COMPANY
52 Vanderbilt Avenue
New York City.

DEAR SIR:

Confirming our telegram of November 8, this is to advise you that until you are notified to the contrary you have our consent to sell patented gypsum wallboard and/or plasterboard embodying the claims and inventions of our patents to the American Cyanamid Company, New York, New York, at the following maximum discount from f.o.b. mill prices listed in Board License Bulletin No. 1.

Wallboard	15%
Plasterboard	12½%

Royalty on all such sales shall, of course, be based upon your regular sale price to your regular dealer trade at the time of such sale and invoice, as is provided by our license agreement with you.

Very truly yours,

UNITED STATES GYPSUM COMPANY

C. HENNING.
Vice President.

6238

11349

Government's Exhibit No. 547

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

20th AUGUST 1934

Mr G N LENCI, *Secretary*
Ebsary Gypsum Company
52 Vanderbilt Avenue
New York, New York

DEAR MR LENCI:

At the board license meeting May 23d 1934 we presented you with a contract for the reflective backing of plaster-board and wallboard.

It was the intention to license all of our board licensees, and to date we have received nothing from you in regard to your position on this matter.

Please give me your comments or criticism.

Very truly yours,

C. HENNING,
Vice President

11350

Government's Exhibit No. 548

NATIONAL GYPSUM COMPANY
General Offices—Gold Bond Products
Buffalo, New York

APRIL 1, 1935

MR. GEORGE N. LENOX
Ebsary Gypsum Company, Inc.
52 Vanderbilt Ave.
New York City

DEAR GEORGE:—

Attached is copy of letter I wrote Mr. Diegel on March 18th.

Have you been able to discuss this with Fred yet or have you organized to sign the foil license? Would like to see this detail disposed of so we can sell you on the right basis.

Yours very truly,

NATIONAL GYPSUM COMPANY
R F B

Vice President

RFBurley/B

6240

11351

MARCH 18, 1935

MR. DIEGEL

Ebsary Gypsum Co. Inc.

52 Vanderbilt Ave.

New York City

DEAR MR. DIEGEL:—

Confirming our phone conversation, I find that we are not privileged to sell you foil lath at the 12½% discount until Mr. Ebsary signs the foil license. It is my understanding that everyone else has signed and if you can cover this detail promptly, we will then be all organized to handle your foil business in the future at the discount specified.

To avoid any complication with the license set-up. I will have to bill your current order of 5.024' at the current dealer price without any discount and am handling on this basis.

I took occasion to phone you on this as I didn't want to convey the impression that we were holding back on this foil program. As Mr. Baker told George, we will be glad to manufacture for you and act as your source of supply until such time as you are in production yourself, but you will have to first go through the red tape of signing the license.

Kindest regards.

Yours very truly,

RFBurley/B

Vice President

P. S. I gathered from Winslow's call that the 5,000 feet was for delivery in the trucking area around Buffalo and wired him as attached so we would save him the trucking costs if he wanted us to truck direct to the dealer.

R. F. B.

11352

Government's Exhibit No. 549

DECEMBER 28, 1934.

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

MR. GEO. N. LENCI, *Secretary*
Ebsary Gypsum Company
52 Vanderbilt Avenue
New York City.

DEAR MR. LENCI:

For your information we are enclosing the following lists pertaining to your license contract with the United States Gypsum Company covering patented gypsum wall-board and gypsum plasterboard.

a. Classes of violations disclosed by the last audits of the licensees' records.

b. Classes of violations reported recently to the Board Survey Company.

You are requested to study this data from the standpoint of the possible effect of changing conditions upon policies under the licenses. Your suggestions relative to marketing policies which may be necessary to meet these new conditions will be welcomed.

Yours truly,

BOARD SURVEY COMPANY

E. W. CAREY
Executive Secretary.

11353 Summary of Violations * * * Per Last Audit of Board Licenses

Absorption of s/O charges (In states not authorized)
Stopover point priced same as carload to that destination (before 7/5/32)

Emergency charge not included in price

Used incorrect freight rate

Light cars priced at full car rate, also small cars priced at large car rate

Failure to add differential for truck deliveries and pickups

Delivery by truck outside authorized trucking area (priced at C/L delivered price)

Less than minimum truckload as specified by licensor

Billed f.o.b. mill instead of f.o.b. delivered

32"x48" board priced as lath in wallboard area

Defective, obsolete or damaged board sold at less than minimum price

Commission allowance to jobbers after jobbers were placed in dealer price classification

Policy and advertising allowance

Absorption of switching charges

Cutstock priced below minimum

Allowance of reduced price on shipments prior to price reduction 6/1/31

Sale to gypsum manufacturer at greater allowance than authorized

Miscellaneous price violations

11354 Summary of Classes of Recent Reported Violations

Quoting and Selling Below Authorized Price.

Selling 32"x48" Wallboard as Plasterboard.

Price Concession on Other Material in Connection with Board Sales.

Splitting Commissions by Salesmen

Jobbers and Distributors Allowances.

Paying Commissions to a Dealer on Another's Purchases.

Absorbing Stopover Charges.

Delivery of l.c.l. Quantities by Truck at Carload Prices.

Delivery or Pickup of Less Than Minimum Truckload.

11355

Government's Exhibit No. 550.

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

DECEMBER 28, 1934.

MR. ARTHUR R. BLACK
*General Sales Manager
American Gypsum Company
Port Clinton, Ohio.*

DEAR MR. BLACK:

For your information we are enclosing the following lists pertaining to your license contract with the United States Gypsum Company covering patented gypsum wall-board and gypsum plasterboard.

a. Classes of violations disclosed by the last audits of the licensees' records.

b. Classes of violations reported recently to the Board Survey Company.

You are requested to study this data from the standpoint of the possible effect of changing conditions upon policies under the licenses. Your suggestions relative to marketing policies which may be necessary to meet these new conditions will be welcomed.

Yours very truly,

BOARD SURVEY COMPANY

E. W. CAREY
Executive Secretary.

11356 Summary of Classes of Recent Reported Violations

Quoting and Selling Below Authorized Price.
 Selling 32"x48" Wallboard as Plasterboard.
 Price Concession on Other Material in Connection with Board Sales.
 Splitting Commissions by Salesmen.
 Jobbers and Distributors Allowances.
 Paying Commissions to a Dealer on Another's Purchases.
 Absorbing Stopover Charges.
 Delivery of l.c.l. Quantities by Truck at Carload Prices.
 Delivery or Pickup of Less Than Minimum Truckload.

11357 Summary of Violations * * * Per Last Audit Of Board Licenses

Absorption of s/O charges (In states not authorized)
 Stopover point priced same as carload to that destination (before 7/5/32)
 Emergency charge not included in price
 Used incorrect freight rate
 Light cars priced at full car rate, also small cars priced at large car rate
 Failure to add differential for truck deliveries and pickups
 Delivery by truck outside authorized trucking area (priced at C/L delivered price)
 Less than minimum truckload as specified by licensor
 Billed f.o.b. mill instead of f.o.b. delivered
 32"x48" board priced as lath in wallboard area
 Defective, obsolete or damaged board sold at less than minimum price
 Commission allowance to jobbers after jobbers were placed in dealer price classification
 Policy and advertising allowance
 Absorption of switching charges
 Cutstock priced below minimum
 Allowance of reduced price on shipments prior to price reduction 6/1/31
 Sale to gypsum manufacturer at greater allowance than authorized

Miscellaneous price violations

11358

Government's Exhibit No. 553

DECEMBER 31, 1934.

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

MR. GEO. N. LENCI, *Secretary*
Ebsary Gypsum Company
52 Vanderbilt Avenue
New York City.

DEAR MR. LENCI:

Re: 32"x48" Patented Gypsum Board.

Referring to your license contract authorizing you to manufacture and sell gypsum wallboard and gypsum plasterboard embodying the claims and inventions of the patents of the licensor thereunder, we would appreciate an expression from you as to whether or not, in your opinion, there would be any advantage from a merchandising standpoint in revising the present minimum price to you as licensee on your sale of 32"x48" patented gypsum board manufactured and sold by you under the above mentioned license agreement.

The licensor is giving consideration to this particular matter, and it would be of assistance to the licensor in making its decision with respect thereto if it could have the benefit of your views on this subject.

Your prompt reply will be appreciated.

Yours very truly,

BOARD SURVEY COMPANY

E. W. CAREY
Executive Secretary.

6246

11359

Government's Exhibit No. 554

DECEMBER 31, 1934.

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

MR. ARTHUR R. BLACK
*General Sales Manager
American Gypsum Company
Port Clinton, Ohio.*

DEAR M. BLACK:

Re: 32"x48" Patented Gypsum Board.

Referring to your license contract authorizing you to manufacture and sell gypsum wallboard and gypsum plasterboard embodying the claims and inventions of the patents of the licensor thereunder, we would appreciate an expression from you as to whether or not, in your opinion, there would be any advantage from a merchandising standpoint in revising the present minimum price to you as licensee on your sale of 32"x48" patented gypsum board manufactured and sold by you under the above mentioned license agreement.

The licensor is giving consideration to this particular matter, and it would be of assistance to the licensor in making its decision with respect thereto if it could have the benefit of your views on this subject.

Your prompt reply will be appreciated.

Yours very truly,

BOARD SURVEY COMPANY

E. W. CAREY
Executive Secretary.

11360

Government's Exhibit No. 555

DECEMBER 31, 1934.

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

MR. GEO. N. LENCI, *Secretary*
Ebsary Gypsum Company
52 Vanderbilt Avenue
New York City.

DEAR MR. LENCI:

Re: Dunnage.

In order to protect its rights as owner of the patents involved in your license contract authorizing you to manufacture and sell gypsum wallboard and gypsum plasterboard embodying the claims and inventions of the licensor's patents, the licensor has been giving further consideration to the matter of license violations through sale of patented board at less than the minimum price effected by means of using such board for dunnage.

In the opinion of the Board Survey Company, the dunnage problem might be in large part met by adoption of one or more of the following requirements with respect to dunnage:

1. Restrict size—

Maximum size as dunnage—24"x24"

Sluter strips—not over 8" wide.

All dunnage to be stamped on both sides—

"Dunnage—Not to be Sold".

2. Scratch paper on both sides.

3. Use size or other treatment to destroy usefulness of board for plastering or painting.

4. Eliminate use of patented board in New York metropolitan area as dunnage.

We would appreciate your giving this problem consideration in order that we may have your views of the above suggestions, or any others as a means of preventing license violations in this regard.

Yours truly,

BOARD SURVEY COMPANY

E. W. CAREY
Executive Secretary.

6248

11361

Government's Exhibit No. 556

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

DECEMBER 31, 1934.

MR. ARTHUR R. BLACK
*General Sales Manager
American Gypsum Company
Port Clinton, Ohio.*

DEAR MR. BLACK:

Re: Dunnage.

In order to protect its rights as owner of the patents involved in your license contract authorizing you to manufacture and sell gypsum wallboard and gypsum plasterboard embodying the claims and inventions of the licensor's patents, the licensor has been giving further consideration to the matter of license violations through sale of patented board at less than the minimum price effected by means of using such board for dunnage.

In the opinion of the Board Survey Company, the dunnage problem might be in large part met by adoption of one or more of the following requirements with respect to dunnage:

1. Restrict size—

Maximum size as dunnage—24"x24"

Slut strips—not over 8" wide.

All dunnage to be stamped on both sides—

"Dunnage—Not to be Sold".

2. Scratch paper on both sides.

3. Use size of other treatment to destroy usefulness of board for plastering or painting.

4. Eliminate use of patented board in New York metropolitan area as dunnage.

We would appreciate your giving this problem consideration in order that we may have your views of the above suggestions, or any others as a means of preventing license violations in this regard.

Yours truly,

BOARD SURVEY COMPANY

E. W. CAREY
Executive Secretary.

11362 *Government's Exhibit No. 558*

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

MAY 10, 1935.

MR. GEO. N. LENCI, *Secretary*
Ebsary Gypsum Company
52 Vanderbilt Avenue
New York City.

DEAR MR. LENCI:

In order to protect its rights as owner of the patents involved in your license contract authorizing you to manufacture and sell gypsum wallboard and gypsum plasterboard embodying the claims and inventions of the licensor's patents, the licensor has been giving consideration to the matter of license violations through the sale of patented board at less than the established minimum price effected by means of advertising allowances, painting dealers' signs, donations of patented gypsum board for dealers' offices, donations of carpenters' aprons or the sale of such below cost, and concessions of a like nature.

We would appreciate a statement of your policies in this regard to assist the licensor in its further study of this problem.

Yours truly,

BOARD SURVEY COMPANY

Signed—E. W. CAREY
Executive Secretary

6250

11363

Government's Exhibit No. 562

EBSARY GYPSUM COMPANY, INC.
135th St. & Mott Haven Canal
103 Park Avenue
NEW YORK

JULY 31st, 1929

THE PARAGON PLASTER Co.,
Syracuse, N. Y.

GENTLEMEN:

Referring to your letter of July 27th we can make you the following proposition on Ebsary Wall Board and Plasterboard.

In order to put you in a position to ship mixed cars of plaster and board from your plant at Oakfield we quote price of \$22.50 per 1000 sq. ft. of Wallboard and \$15.50 per 1000 sq. ft. of plasterboard F.O.B. cars Wheatland with freight allowed to Oakfield, and less a manufacturers discount of 10% on \$22.50 and \$15.00 respectively.

For shipments on your account to dealers outside of your city we quote you \$22.50 and \$15.00 respectively F.O.B. cars Wheatland plus freight and subject to the same discount as above.

For shipments to you at Syracuse \$24.64 and \$17.14 respectively less the same discounts. These prices are with freight allowed to Syracuse.

All of the above prices are subject to immediate acceptance only and we trust they will be of interest to you.

With the prevailing low prices for gypsum blocks we cannot do better than our regular dealers prices based on 3¢ for 3" and 4¢ for 4" hollow F.O.B. cars Wheatland.

I would be very glad to hear from you as soon as you have had an opportunity to consider this proposal.

Very truly yours,

EBSARY GYPSUM COMPANY, INC.

By GEORGE N. LENCI

George N. Lenci
Vice President

GNL:SF

11364

Government's Exhibit No. 571

Letter to Copy to

E. L. Merriman

T. P. Eldred

Emil Hansen

H. W. Olmsted

728 Broad St.,

Utica, N. Y.

DEC. 1st, 1933.

Kelley Plasterboard Co. Inc.,
Att. Mr. S. J. Kelley, President,
Delawanna, N. J.

GENTLEMEN:

The contract dated Nov. 23rd, 1932, under which you have purchased Stucco of us and we have purchased Wall Board, Plaster Board, and Gypsum Lath, expired on Nov. 30th, 1933.

Since the operation of your company and ours under this contract seems to have been mutually satisfactory, as indicated at our conference in New York Nov. 23rd, 1933, we herein desire to confirm in writing the understanding for renewing this contract arrived at at this Nov. 23rd, 1933 conference.

From Dec. 1st, 1933, to Dec. 1st, 1938, we will furnish you and you will furnish us, the following mentioned products, under prices, terms, and conditions as herein outlined.

Stucco

For the first 2000 tons Stucco purchased by you.....	\$5.00 per ton
For the next 1500 tons Stucco purchased by you.....	4.50 " "
For the next 1000 tons Stucco purchased by you.....	4.25 " "
For any additional tonnage Stucco purchased by you.....	4.00 " "

The prices above quoted on Stucco are f.o.b. Cars our mill at Oakfield, New York, and are based upon shipment in full carload lots, in cloth bags furnished by us. The cloth bags to be charged extra at five (5¢) cents each, and the same amount credited to you when they are returned to us in usable condition.

Neat Plaster—For shipment to your Delawanna N. J. Plant.:

If you desire to purchase our Neat Plaster for shipment to your Delawanna, N. J. Plant, while this contract is in force you may do so at a price of \$5.50 per ton, in carload lots, f.o.b. Oakfield, N. Y.

Neat Plaster—For direct shipment to your trade:

If, and when, you desire to purchase our Neat Plaster for shipment to other points of destination than Delawanna, N. J., our price to you on same will be \$3.00 per ton, in carload lots, f.o.b. Cars Oakfield, N. Y., less than the established Gypsum Industry price for Neat Plaster in 11365 carload lots, but in no instance shall this price net us less than \$5.00 per ton, Net, exclusive of bags, f.o.b. Cars Oakfield.

All paper bags for Neat Plaster are to be furnished by you, delivered Oakfield, N. Y., and to bear your own trade name and Company name.

Note: In the event of an advance in the present delivered price of Neat Plaster in the Metropolitan, N. Y. and Northern New Jersey Areas, fifty percent of such advance shall be added to the Oakfield mill price on Neat Plaster for shipments to Delawanna.

Terms: 2% each discount, based upon f.o.b. Car prices at Oakfield, N. Y., same to be allowed for payment of invoices by the 10th of the following month, or 30 days net.

If, at any time, the financial responsibility of either your Company or ours becomes impaired or unsatisfactory to either buyer or seller, it is mutually agreed your Company or ours has the right to require payments in advance, or satisfactory security or guarantee that invoices will be paid when due.

Labor

The prices quoted herein are based upon present labor, coal, and explosives costs to us, which are as follows:

Mine Department

Miners, Helpers and Muckers	\$.38 per ton
Propman, Trackman, Pumpman, Motorman & Repair men.....	.50 " hour
Cager and Hoist Operator .....	.55 " "
Motorman Helper, Repairman Helper & General Mine Labor ..	.45 " "

Mill Department

General Labor, Millwright Helper & Watchman .....	.40 per hour
Carpenter & Truck Driver .....	.45 " "
Tube Mill Operator and Electrician .....	.50 " "
Calciner Operator and Millwright .....	.55 " "
Blacksmith and Crusherman .....	.65 " "
Machinist .....	.60 " "

Mixing Department

Tacking Cost—piece work—Stucco .....	.184, per ton
Tacking Cost—piece work—Neat, etc.	21 1/4 " "
Coal	\$ 3.92 per Net ton, F.O.B. Oakfield, N. Y.
Explosives	10.50 per Cwt. ton, F.O.B. Oakfield, N. Y.

11366 Should the costs on these items of manufacture be increased or decreased, it is mutually agreed, we will advance or decrease our prices to you on any material we are selling you by the same ratio that the above manufacturing items are increased or decreased. This adjustment to be made not more often than every thirty (30) days, and you are to have access to our payroll account to verify any figures in this connection.

Reciprocal Transactions:

This contract is based upon the mutual understanding that during the life of it, you are to furnish us Wall Board, Plaster Board, and Gypsum Lath of a satisfactory quality, at the established market price to dealers, less Calciner's discount on Wall Board of fifteen percent, and less Calciner's discount on Plaster Board and Gypsum Lath of twelve and one-half percent. This discount to be based on the per thousand feet price, f.o.b. Cars Oakfield, N. Y. The freight from Delawanna, N. J. to our plant at Oakfield, N. Y. to be absorbed by you.

Terms: A cash discount of 2% on the net amount of the invoice, after deducting freight, will be allowed for payment of invoices by the 10th of the following month—net 30 days.

Duration of Contract:

It is mutually agreed that the contract shall be for a period of five years, beginning Dec. 1st, 1933, but may be cancelled by either party at the end of any year during the said period, by either party giving to the other party hereto, three months' written notice, prior to Dec. 1st of any year while contract is in force, of its intention to cancel the same. Said written notice to be given by mail at the last known address of the party, and this contract will not bind or inure to the benefit of any person, co-partnership or corporation other than the parties hereto and shall not bind or inure to the benefit of the heirs, successors, or assigns of either party to this contract.

11367 This contract is prepared in duplicate. We have signed the original copy, and if you will sign in the blank space provided, we shall consider the contract immediately in force.

Yours very truly,

OAKFIELD GYPSUM PRODUCTS CORPORATION

T. P. ELDRÉD
Treasurer.

TPE/W

Accepted by Kelley Plasterboard Co. Inc.

Per Signed by S. J. Kelley, Pres.

Date Dec. 1st, 1933.

6254

11368

Government's Exhibit No. 572

CHICAGO 8/25/33

AMERICAN GYPSUM Co.
Port Clinton, Ohio.

Can come tomorrow to negotiate deal have you secured
authority

EZRA SENSIBAR

Dea 3200
Room 1508
33 N. LA SALLE ST.

11369

Government's Exhibit No. 573

1933 AUG 25 PM 3 13

DW B 37 8 11 XC=PORTCLINTON OHIO 25 406P

EZRA SENSIBAR
CHICAGO

MR. BLACK OUT OF TOWN CAN YOU COME MON.
DAY OR TUESDAY

AMERICAN GYPSUM CO.

11370

Government's Exhibit No. 574

THE AMERICAN GYPSUM COMPANY
 GYPSUM PRODUCTS
 General Offices and Mills
 PORT CLINTON, OHIO.

SEPT. 21, 1933

MR. EZRA SENSIBAR, *Vice Pres.*
Cardiff Gypsum Plaster Co.
33 North LaSalle Street, Room 1508
Chicago, Illinois

DEAR MR. SENSIBAR:

There is certainly an apology due you from me for not replying sooner to your telegram received some time ago and your later favor of the 8th inst.

It has, however, been necessary for me to be away from my office almost constantly, so that my correspondence has been sadly neglected. As you probably know, we returned to Chicago on the 11th and again spent three days on the code, finally adopting the automobile code with the terms changed to suit our particular industry. Because of all this extra work, and also because of the situation, there has not been an opportunity for me to approach the licensor regarding the matter we have in mind, but I expect to do so within the very near future and shall then immediately get in touch with you.

If, in the meantime, you are in this community, I shall, of course, be very glad to see you.

With kindest regards,

Sincerely yours,

THE AMERICAN GYPSUM CO.

ARTHUR R. BLACK
General Sales Manager

ARB:IW

11371

Government's Exhibit No. 575

CHICAGO 10/3/33

AMERICAN GYPSUM CO.
Port Clinton, Ohio.

What is your decision

EZRA SENSIBAR
 ROOM 1508
 33 N. LaSALLE

6256

11372

Government's Exhibit No. 576

CARDIFF GYPSUM PLASTER COMPANY
Manufacturers of Gypsum Products Since 1895
FORT DODGE, IOWA

FEBRUARY 1, 1936

MR. ARTHUR BLACK, *Sales Manager,*
American Gypsum Company,
Port Clinton, Ohio.

DEAR MR. BLACK:—

The Montague Mill Work Company, Richmond, Virginia, has asked us for a quotation on a carload of gypsum wall board. We have given them your name, and we suggest that you communicate with them.

I have not heard from you since our pleasant visit at Port Clinton sometime ago. I trust that your investigation has since disclosed that we did not sell the Severin job in Indianapolis at a price below that made by our competitors; that the transaction was handled in the method customary in the industry and approved by yourself and others. If such be the case, I hope that you can now see your way clear to consummate the board arrangements that we talked about and that the Licensor and others will now raise no objection. They need have no fear that we would sell plaster below the price established by them in order to move the board. We have a certain sales expense and we want to spread it over a larger gross volume of business. One way to do that is to have the same salesman sell board along with our plaster.

Please let us hear from you definitely in the very near future.

Yours very truly,

CARDIFF GYPSUM COMPANY

By: EZRA SENSIBAR
President.

ES:G

11373

Government's Exhibit No. 577

FEBRUARY 10, 1936

MR. EZRA SENSIBAR, *President*
Cardiff Gypsum Plaster Company
Fort Dodge, Iowa

DEAR MR. SENSIBAR:

Kindly pardon the delay, which was occasioned by my absence, in replying to your favor of the 1st inst.

As you may possibly know, Mr. John A. Kling, the chairman of our Board, was buried the day you wrote your letter, he having been shot three days previously by his chauffeur.

Many thanks for referring the Montague Mill Work Company of Richmond, Virginia, to us, and we will communicate with them at once.

Our Indianapolis representative was at the office last Friday, and I mentioned to him the Indianapolis job, and while he did not have positive information regarding the price, he made the statement that he would not be surprised if your price was not below the market and your transaction was regular in every respect. I did not talk with him very much about it as I consider it water over the dam.

Mr. Charles Henning of the United States Gypsum Company has been away on a vacation, but I hope to have the pleasure of talking with him in the near future and shall be pleased to bring up the matter of our selling you wall board.

It was very nice of you and Mrs. Sensibar to stop and see us, and we enjoyed your visit very much. Please repeat the occasion in the very near future. The "Boss" at our home joins me in sending kindest regards to both of you.

Sincerely yours,

ARB:IW

6258

11374

Government's Exhibit No. 578

NATIONAL GYPSUM COMPANY
General Offices
BUFFALO, N. Y.

OCTOBER 24, 1938

MR. EZRA SENSIBAR
Cardiff Gypsum Co.
Box 705
Fort Dodge, Iowa

DEAR MR. SENSIBAR:

I have your very nice letter of October 22nd.

Since you were in Buffalo we have had an opportunity to canvass the prospects for selling you board and because of our limited capacity at Fort Dodge I think it would be a mistake for us to start with you. Any substantial upturn in building will consume our capacity out there and then you would be right back in the same position as now.

With kind personal regards.

Very truly yours,

M. H. BAKER
President

MP

11375

Government's Exhibit No. 584

CHICAGO, ILLINOIS, OCTOBER 4, 1939

MR. GEORGE LENCI,
Ebsary Gypsum Co.,
52 Vanderbilt Ave.,
New York N. Y.

DEAR MR. LENCI:

Enclosed please find some rate supplements which will help to keep your records up to date.

On September 30th I addressed a letter to Mr. Winslow at Wheatland thanking him for the courtesy shown my visit to the plant, and we have been notified that there is no Post Office at Wheatland. Will you kindly let me know where your mail is received for the plant at Wheatland.

To date we have received no advice about the car of board and lath ordered for our plant at Fort Dodge. Naturally, we are anxious to have this available for our salesmen who work in the Fort Dodge territory, and as soon as we know that the car is in transit we will instruct our men to start pushing board and lath.

We expect to have something very soon in the way of business on board and lath in the Chicago territory, and are awaiting the rechecked list of destination points which I left with you.

Very truly yours,

CARDIFF GYPSUM COMPANY
33 N. LaSalle St., Chicago, Ill.

6260

11376

Government's Exhibit No. 585

EBSARY GYPSUM COMPANY, INC.
52 Vanderbilt Avenue
NEW YORK, N. Y.

OCTOBER 5, 1939

CARDIFF GYPSUM COMPANY
33 N. La Salle St
Chicago, Ill.

GENTLEMEN:

We have your letter of October 4th addressed to Mr. George Lenci. Mr. Lenci is out of town today and for that reason I am writing you to give you the following information requested in your letter.

The Post Office address for Mr. Winslow is CALEDONIA, N. Y., as there is no Post Office at Wheatland, N. Y.

Regarding the car of Board and Lath which you have on order. We have not as yet received permission from the United States Gypsum Company to ship this order. You understand that we must first be permitted by the United States Gypsum Company if we are to sell other manufacturers. We are today in receipt of a letter from them in which they state that have not had an opportunity to discuss this with their people and as soon as we hear further we will advise you accordingly.

We are sorry that this delay has been caused, but can assure you that it is absolutely beyond our control at the present time.

Yours very truly,

EBSARY GYPSUM COMPANY, INC.

C. E. Hough
C. E. HOUGH
Treasurer

CEH:L

11377

Government's Exhibit No. 591

KELLEY PLASTERBOARD COMPANY, INC.
DELAWARE, N. J.

April 26, 1932.

Phone:— Passaic 2-5350-1-2.

Confidential price list to dealers in truckload lots on materials which we manufacture or distribute. The following prices apply within our usual trucking radius. Delivered prices in other sections will be furnished upon request. Carload prices on application.

	F.O.B. Delawanna	Dealer's Yard	Job Delivery
Mono-Coat Colored Texturing Plaster			
Paper bags—100 lb., 50 lb., or 25 lb.	\$80.00 Ton	\$80.00 Ton	\$80.00 Ton
Arrow-Tex Colored Texturing Material			
Paper Bags—50 lb. or 25 lb. ....	.08 lb.	.08 lb.	.08 lb.
Dela-Tex Texturing Material or Plastic Paint			
50 lb. paper bags .....	.12 lb.	.12 lb.	.12 lb.
25 lb. cartons .....	.12½ lb.	.12½ lb.	.12½ lb.
10 lb. cartons .....	.13 lb.	.13 lb.	.13 lb.
Colored Sand			
3-1/4 lb. Cartons and 25 lb. bags.			
All colors excepting Green and Blue	.12 lb.	.12 lb.	.12 lb.
Green and Blue .....	.15 lb.	.15 lb.	.15 lb.
Monument Colored Stucco			
100 # paper bags			
All colors excepting Green	29.00 Ton	29.00 Ton	29.00 Ton
Green	34.00 Ton	34.00 Ton	34.00 Ton
Monument Interior Colored Finish			
100 # paper bags			
All colors excepting Green	29.00 Ton	29.00 Ton	29.00 Ton
Green	34.00 Ton	34.00 Ton	34.00 Ton
Cedar Plaster			
50 # paper bags .....	.15 lb.	.15 lb.	.15 lb.
	<i>Carload Lots By Rail</i>	<i>Pool or Mixed Cars</i>	
Plaster Boards			
1/4" \$1.221 ea.	\$1.381 ea.	.1381 ea.	.1381 ea.
3/8" .1315 ea.	.1475 ea.	.1475 ea.	.1475 ea.
1/2" .151 ea.	.167 ea.	.167 ea.	.167 ea.
No job Delivery—See note*			

Plaster or Gypsum Lath (Bundled)			
3/8x16x48" 16.44 M.	18.44 M.	18.44 M.	18.44 M. sq. ft.) See
3/8x16x32" 16.44 "	18.44 "	18.44 "	18.44 " " ") Note*

Wall Board			
Cork Gypsum Wall Board			
28.44 M.	30.44 M.	30.44 M.	30.44 M. sq. ft.) See Note*

*Note—Minimum Quantities:

Pick-ups	5,000 sq. ft. Plaster Boards, Plaster Lath and Wall Board
Pool Cars	5,000 sq. ft. Plaster Boards, Plaster Lath and Wall Board
Truck	
Deliveries	5,000 sq. ft. Plaster Boards, Plaster Lath and Wall Board
Mixed Truck—loads	5,000 sq. ft. Plaster Boards, Plaster Lath and Wall Board
and sufficient other Plaster Products to make up a seven and one-half ton load total weight.	

Area:—To all points taking old \$.19½ rate from Oakfield in following territory only:

Metropolitan New York:—New York City,—Bronx, Manhattan, Queens, Brooklyn, Richmond, also Westchester, Rockland and Nassau Counties, N. Y., also Amityville and Cold Spring Harbor in Suffolk County.

Metropolitan New Jersey: Hudson, Essex, Union, Bergen, Passaic, Morris, Middlesex, Mercer, Somerset and Monmouth Counties.

Separate quotations will be gladly furnished to all points other than the above.

These Prices Are Subject To Change Without Notice.

11378

F.O.B.
DelawannaDealer's
YardJob
Delivery

INSULATING BOARD AND PLASTER LATH:

Johns-Manville:

27,500 to 54,998 sq. ft.	\$33.00 M.	\$33.00 M.
1 to 27,498 sq. ft.	35.00 M.	36.00 M.

Delivered in carload lots (via rail from factory)—\$32.00 M. sq. ft.

Insulite:

30,000 to 59,998 sq. ft.	\$34.00 M.	\$34.00 M.
1 to 30,000 sq. ft.	35.00 M.	36.00 M.

Delivered in carload lots (via rail from factory)—\$33.00 M. sq. ft.

SANDED PLASTER:

Kelley, Red Top or King Windsor.

100 lb. cloth, including bags	10.50 Ton	10.50 Ton	11.00 Ton
100 lb. paper bags	8.50 Ton	8.50 Ton	9.00 Ton

NEAT PLASTER

Kelley, Red Top or King Windsor.

100 lb. paper bags	9.90 Ton	9.90 Ton	10.40 Ton
--------------------	----------	----------	-----------

BOND PLASTER

100 lb. paper bags	11.90 Ton	11.90 Ton	12.40 Ton
--------------------	-----------	-----------	-----------

PLASTER PARIS or GAUGING PLASTER

Higginson or U.S.G.

100 lb. paper bags	16.70 Ton	16.70 Ton	16.70 Ton
50 lb. paper bags	17.70 Ton	17.70 Ton	17.70 Ton
25 lb. paper bags	19.20 Ton	19.20 Ton	19.20 Ton
250 lb. barrels	3.13 bbl.	3.13 bbl.	3.13 bbl.

HYDRATED FINISHING LIME

Kelley or Washington.

50# paper bags	12.95 Ton	13.95 Ton	13.95 Ton
----------------	-----------	-----------	-----------

HYDRATED MASONS LIME

50# paper bags

11.95 Ton	12.95 Ton	12.95 Ton
-----------	-----------	-----------

LUMP LIME—PALMER

200# steel drums

2.25 bbl.	2.35 bbl.	2.35 bbl.
-----------	-----------	-----------

WHITE CEMENT—MEDUSA

100# paper bags

1.65 bag	1.65 bag	1.65 bag
----------	----------	----------

KEENES CEMENT

100# cloth, including bags

30.00 Ton	32.00 Ton	32.00 Ton
-----------	-----------	-----------

MORTAR COLORS (F.O.B. DELAWANNA OR DELIVERED BY TRUCK OR RAIL):

Clinton Hematite Red #10	50 # paper bags—\$37.00 per ton
Clinton Hematite Red #10	100 # cloth bags—39.00 per ton
Clinton Colonial Buff #700	50 # paper bags—50.00 per ton
Clinton Colonial Buff #700	100 # cloth bags—52.00 per ton
Clinton Dark Buff #717	50 # paper bags—50.00 per ton
Clinton Dark Buff #717	100 # cloth bags—52.00 per ton
Clinton Single Strength-Black #900	50 # paper bags—53.00 per ton
Clinton Single Strength Black #900	100 # cloth bags—55.00 per ton
Clinton Double Strength Black #800	100 # cloth bags 71.00 per ton
Clinton Double Strength Black #800	50 # paper bags—71.00 per ton
Clinton Pompein Buff #600	100 # cloth bags—52.00 per ton
Clinton Double Strength Chocolate #402	100 # cloth bags—51.00 per ton

(The 100 lb. cloth bags are paper lined and waterproof.)

CABOT'S TRIMOUNT GERMANTOWN LAMPBLACK

60—1 pound packages to the carton.

In lots of 60 lbs.	\$.21 per pound
In less than full cartons .....	.25 per pound

CABOT'S T PROCESSED LAMPBLACK

6—12½ lb. packages to the carton—(75 lbs.)

In lots of 75 lbs.	\$.12 per pound
-------------------------	------------------

CARBON BLACK (BINNEY & SMITH #242)

60—1 lb. packages to the carton.

In lots of 60 lbs.	\$.18 per pound
In less than full cartons .....	.22 per pound

CARBON BLACK (BINNEY & SMITH #242)

4—12½ lb. packages to the carton

In lots of 50 lbs.	\$.10 per pound
-------------------------	------------------

These Prices Are Subject to Change Without Notice.

11379

• METAL LATH, CORNER BEADS, ETC.

*F.O.B. Delawanna
or Dealer's Yard*

Super Bostwick Truss—Loop	4.5	Painted	\$.245 yard
Sheet Lath	5.25	Galvanized	.365 yard
Diamond Mesh Lath	2.2	Painted	.135 yard
Diamond Mesh Lath	2.5	Painted	.145 yard
Diamond Mesh Lath	3.0	Painted	.16 yard
Diamond Mesh Lath	3.4	Painted	.17 yard
Diamond Mesh Lath	2.5	Galvanized	.17 yard
Diamond Mesh Lath	3.4	Galvanized	.20 yard
Boss—Rib Lath	2.75	Painted	.18 yard
Boss—Rib Lath	3.0	Painted	.19 yard
Boss—Rib Lath	3.4	Painted	.20 yard
Boss—Rib Lath	3.4	Galvanized	.23 yard
Flat Rib Lath	2.75	Painted	.18 yard
Flat Rib Lath	3.0	Painted	.19 yard
Flat Rib Lath	3.4	Painted	.20 yard
¾" High Rib Lath	3.0	Painted	.19 yard
¾" High Rib Lath	3.4	Painted	.20 yard
Self-Furring Lath	2.5	Galvanized	.18 yard
Self-Furring Lath	3.4	Galvanized	.21 yard
Self-Furring Lath	3.4	Painted	.18 yard

Cornerite 4" Wings—8'	—\$14.00 per thousand feet.
Cornerite 3" Wings—8'	— 13.00 per thousand feet.
4" Striplath—8'	— 8.50 per thousand feet.

Arch Bead—Economy—4' Lengths — 25.00 per thousand feet.

Flat Wing Corner Bead — 18.00 per thousand feet.

Truss Wing Corner Bead — 18.00 per thousand feet.

Expanded Corner Bead 3"—8' and 9' — 27.00 per thousand feet.

Wall Ties—7"x $\frac{1}{8}$ " (1000 per box—35#) 1.60 per thousand.

No charge for trucking to points in our regular trucking zone.

JOHNS MANSVILLE TYPE "B" INSULATION IN BAT FORM.

	Weight	Size	Coverage
One Bat with chipboard center.	5.6#	15x18x3" (15" wide) (18" long) (3" thick)	Approx. 2 sq. ft. gross surface.
One Package (6 Bats) paper between bats.	33½ net Approx. 34# Gross	15x18x18"	Approx. 12 sq. ft. gross surface.

Shipments—Carloads only from Alexandria, Ind. L. C. L. from Distributors' stock.

Minimum Car—24,000 lbs.—12 tons. Cwt. per car—240 cwt.

Packages per car—Approximately 708-8496 sq. ft. gross surface.

Estimating—Amount of material required will vary, depending on what subtractions are made from gross surface area. Some leeway should be allowed for safety. Doors, windows and other openings should be subtracted from gross areas. If it is desired to subtract studs, joints and rafters, deduct 12½% from gross surface area, less openings (windows and doors). Deduct 15% for studs if only walls are to be figured. Deduct 10% for roof or ceiling members if only attic or roof work is figured.

BELOW ARE LISTED NET PRICES.

	Net Prices F.O.B. Delaware or Delivered	Net Carload Prices Delivered from Factory
Consumer	\$.12 sq. ft. (wall area)	\$.12 sq. ft.
Contractor .....	.09 sq. ft. (wall area)	.08 sq. ft.
Dealer .....	.07½ sq. ft. (wall area)	.0613 sq. ft.

These Prices Are Subject to Change Without Notice.

	F.O.B. Delawanna	F.O.B. Dealers Yard Within Zone No. 1
STANDARD THICKNESS SEWER PIPE		
3"-24" Standard Pipe 2' lengths and fittings	72%	66%
6"-12" Standard Pipe 3' lengths	69%	63%
30" Standard Pipe 3' lengths	51%	45%
DOUBLE STRENGTH SEWER PIPE		
15" D.S.2' lengths and fittings	66%	60%
15" D.S.3' lengths and fittings	63%	57%
18"-24" D.S.2' lengths and fittings	61%	55%
18"-24" D.S.3' lengths and fittings	58%	52%
30"-D.S. 3' lengths	48%	42%
CHIMNEY TOPS	67%	61%
THIMBLES	67%	61%
SEPTIC TANKS	62%	56%
WALL COPING—8" and 12"	72%	66%
FLUE LINING		
Flue Lining up to 18" square and 24" round	76%	70%
Flue Lining 20x20, 20x24 and 24x24	59%	53%
Flue Lining 30" Round	62%	56%
ROUND DRAIN TILE		
	<i>Weight</i>	
3"	4 lba.	\$40.00 M. \$ 45.00 M.
4"	5½ lba.	48.00 M. 56.00 M.
6"	10 lba.	92.00 M. 104.50 M.
HEXAGON DRAIN TILE		
3"	4 lba.	42.00 M. 47.00 M.
4"	5½ lba.	50.00 M. 58.00 M.
6"	10 lba.	95.00 M. 107.50 M.
FIRE BRICK		
Orvis—9"—3100° (For Domestic Oil Burners)	60.00 M.	68.00 M.
Hayes Run—9"—3200° (For Industrial Plants)	65.00 M.	73.00 M.
Eagle—9"—2876°	45.00 M.	53.00 M.
Eagle—8¼"—2876°	39.00 M.	46.00 M.
OVEN TILE—12x12x12	.22 ea.	.22 ea.
FIRE CLAY—(20 mesh) Suitable for all brick		
In ton lots	13.00 T.	13.00 T.
In less than ton lots	.75 Bag 100#	.75 Bag 100#
STANDARD BONDING MORTAR (Plastic High Temperature Cement)		
In 100 lb. drums—For use up to 2900°	4.25 cwt.	4.25 cwt.
FACE BRICK		
Red Face Brick—Smooth, Vertical Texture or Matte, straight shades, ranges with or without black	28.00 M.	34.00 M.
Similar ranges with Buffs or Greens added	29.00 M.	35.00 M.
Buff Range—Matt Texture (3 shades of Buff)	30.00 M.	36.00 M.

These Prices Are Subject to Change Without Notice.

6266

11381

VENTO STEEL SASH

PREMIER PUTTYLESS SASH

<i>Glass Size</i>	<i>Opening Overall</i>	<i>Orders of \$5 or More</i>	<i>Orders of Less than \$5</i>
2 light 10x12	23 $\frac{1}{4}$ x15	\$2.10 each	\$2.40 each
3 light 10x12	33 $\frac{1}{4}$ x15	2.40 each	2.70 each
3 light 12x18	39 $\frac{1}{4}$ x21	2.65 each	2.95 each
3 light 10x20	33 $\frac{1}{4}$ x23	2.65 each	2.95 each
2 light 14x20	31 $\frac{1}{2}$ x23	2.50 each	2.80 each
3 light 10x16	33 $\frac{1}{4}$ x19	2.65 each	2.95 each
3 light 12x20	39 $\frac{1}{4}$ x23	2.75 each	3.05 each

PREMIER OUTSIDE COPPER SCREENS

2 light 10x12	1.45 each	1.75 each
3 light 10x12	1.70 each	2.00 each
3 light 12x18	1.70 each	2.00 each
3 light 10x20	1.70 each	2.00 each
2 light 14x20	1.70 each	2.00 each
3 light 10x16	1.70 each	2.00 each
3 light 12x20	1.95 each	2.30 each

CHALLENGER PUTTYLESS SASH

<i>Glass Size</i>	<i>Opening Overall</i>	<i>Orders of \$5 or More</i>	<i>Orders of Less than \$5</i>
3 light 10x12	33 $\frac{1}{4}$ x15	\$2.05 each	\$2.35 each
3 light 12x18	39 $\frac{1}{4}$ x21	2.30 each	2.60 each
3 light 10x20	33 $\frac{1}{4}$ x23	2.30 each	2.60 each
2 light 14x20	31 $\frac{1}{2}$ x23	2.10 each	2.40 each

CHALLENGER OUTSIDE SCREENS

3 light 10x12	1.70 each	2.00 each
3 light 12x18	1.70 each	2.00 each
3 light 10x20	1.70 each	2.00 each
2 light 14x20	1.70 each	2.00 each

15" Mullion Bars (Per Pair)	.25	.30
21" Mullion Bars (Per Pair)	.35	.40
23" Mullion Bars (Per Pair)	.40	.45

Above Prices F.O.B. Delawanna or Delivered by Rail or Truck Without Charge.

These Prices Are Subject to Change Without Notice.

**DAMPERS—COAL CHUTES—MORTAR BOXES—
GARBAGE RECEIVERS, ETC.**

Rotary Control Dampers

No. 3.30—\$4.10 each.
 3.36—4.50 "
 3.42—5.10 "
 3.48—6.00 "
 3.54—10.80 "
 3.60—12.15 "

Poker Control Dampers

No. 2.30—\$3.60 each.
 2.36—4.10 "
 2.42—4.60 "
 2.48—5.20 "
 2.54—10.10 "
 2.60—11.25 "
 2.72—13.75 "

Angles—3x3x1/4

36"—.60 each.
 42"—.70 "
 48"—.75 "
 54"—.85 "

Ash Pit Doors or Clean Out Doors

8 x 8 — .65 each.
 8 x 10— .75 "
 10 x 12—1.10 "

Mortar Boxes

No. 1—Top 7'6" }
 Width 40" }
 Depth 12" } \$14.50 each.
 No. 2—Top 5'10" }
 Width 34" }
 Depth 10" } 10.00 each.

Ash Dumps

5 x 8—40 each.

Coal Chutes

8" No. 29—Solid Door—\$4.30 ea.
 8" No. 48—Glass Door—6.25 "
 12" No. 213—Solid Door—5.40 "

Garbage Receivers

No. 109—9 Gallon—\$4.50 each
 112—12 " —5.25 "
 115—15 " —6.25 "

Package Receivers

No. 1—5.75 each.
 2—5.75 "
 3—5.00 "

Bell Traps

6 x 6— .35 each
 9 x 9— .75 "
 12 x 12—1.50 "

Mail Receivers

No. 2 F (Frame) 5.00 each.
 2 B (Brick) 5.50 "

Brick Clamps

\$1.40 each.

Man Hole Ring & Cover

No. 2 18" cover diameter—\$4.10 ea.
 No. 3 20" cover diameter—5.00 "

Dutch Oven Doors

\$4.00 each.

Salamanders

No. 118 (complete)—\$5.65 each.

No Charge for Trucking When Loaded With Other Material.

Above Prices Are Subject to Change Without Notice.

REVISED PRICE LIST ON JOHNS-MANSVILLE ASBESTOS SHINGLES AND ACCESSORIES

The numbers correspond to the style, description and catalog numbers and colors as described on pages 3 and 4 of Johns-Manville Company's price list.

The following prices are net and include both dealer cost and recommended consumers resale. Discounts have already been deducted.

The following points constitute "WITHIN ZONE" area:—

"All of Bergen County, that portion of Passaic County lying east and south of the line of the New York Susquehanna and Western Railroad at Pompton Lakes, N. J., all of Essex County, Hudson County, Union County, and the area of Middlesex, Monmouth and Ocean Counties lying north and east of a line drawn from Monmouth Junction, Jamesburg, Englishtown, Freehold, Adelphia, Fort Plains, Southard, Lakewood, Toms River, Beachwood to Seaside Park.

		Colors	F.O.B. Delawanna	Delivered Within Zone	Delivered Outside Zone	
			Per Square			
No. 90	Diamond	All Colors	\$ 7.02	\$ 7.34	\$ 7.67	Resale
			5.85	6.12	6.39	Cost
No. 30	Dutch Lap	All Colors	7.56	7.95	8.35	Resale
			6.30	6.63	6.96	Cost
No. 70	Hexagonal	All Colors	7.56	7.95	8.33	Resale
			6.30	6.63	6.94	Cost
No. 25	American	Gray & Black	10.80	11.48	12.15	Resale
			9.00	9.57	10.13	Cost
No. 25	American	Breton Red-Moss				
		Green and Copper	11.51	12.19	12.86	Resale
			9.59	10.16	10.72	Cost
No. 35	American	All Colors	13.67	14.35	15.02	Resale
			11.39	11.96	12.52	Cost
No. 235	American		13.67	14.35	15.02	Resale
			11.39	11.96	12.52	Cost
No. 45	American	Siding	12.96	13.57	14.18	Resale
			10.80	11.31	11.82	Cost
No. 130	Dutch Lap	Siding	6.22	6.61	7.00	Resale
			5.18	5.51	5.84	Cost
No. 55	Salem 5/16 Butts	All Colors	20.94	21.69	22.44	Resale
			17.45	18.08	18.70	Cost
No. 55	Salem 7/16 Butts	All Colors	27.21	28.22	29.23	Resale
			22.68	23.52	24.36	Cost
No. 91	Starters		3.24	3.36	3.48	Resale
			2.70	2.80	2.90	Cost
No. 31	Starters	Mixed Colors	1.08	1.15	1.22	Resale
			.90	.96	1.02	Cost
No. 71	Starters	All Colors	3.78	3.93	4.08	Resale
			3.15	3.28	3.40	Cost
No. 17	Starters	Mixed Colors	1.08	1.15	1.23	Resale
			.90	.96	1.03	Cost
No. 97	Hip & Ridge	All Colors	9.50	9.97	10.44	Resale
			7.92	8.31	8.70	Cost
No. 26	Starters	Mixed Colors	6.48	6.74	7.01	Resale
			5.40	5.62	5.84	Cost
No. 27	Hip & Ridge	All Colors	9.50	10.07	10.62	Resale
			7.92	8.39	8.85	Cost
No. 36	Starters	All Colors	6.48	6.74	7.02	Resale
			5.40	5.63	5.85	Cost

Starters and Hip & Ridge Shingles Are Priced Per 100 Lineal Feet.

These Prices Are Subject to Change Without Notice.

		F.O.B. Delivered Delivered			
		Delawanna	Within	Outside	
		Zone	Zone	Zone	
11384	Colors	Per 100 Lineal Feet.			
No. 37 Hip & Ridge	All Colors	\$12.69	\$13.26	\$13.81	Resale
		10.58	11.05	11.51	Cost
No. 56 Starters 5/16	All Colors	11.34	11.62	11.89	Resale
Butts		9.45	9.68	9.91	Cost
No. 56 Starters 7/16	All Colors	14.76	15.12	15.48	Resale
Butts		12.30	12.60	12.90	Cost
No. 57 Hip & Ridge	All Colors	18.24	18.85	19.46	Resale
		15.20	15.71	16.22	Cost
Ridge Roll	Gray	16.74	17.11	17.48	Cost
Ridge Roll	Red or Blue-Black	20.07	20.44	20.81	Cost
Ridge Roll	Green	22.32	22.69	23.06	Cost
J. M. Clinchers		.20	per 100 pieces.		
Copper Storm Anchors		.20	per 100 pieces.		
Copper Ridge Roll Fasteners		.75	per 100 pieces.		
Galvanized Needle Point Nails		.08 1/4	per lb. in keg lots.		
Galvanized Needle Point Nails		.10	per lb. in less keg lots.		

Carload freight is allowed in the "WITHIN ZONE" area on all Asbestos Shingles and accessories when shipped in straight or mixed carload lots, excepting No. 55 Salem Shingles, No. 56 Starters and No. 57 Hip & Ridge. On carload shipments outside of this zone, the freight will be equalized.

JOHNS-MANVILLE ASBESTOS WAINSCOTING & ACCESSORIES.

	Tile or Plain Design in Plain Colors		Tile or Plain Design in Mottled Colors	
	List F.O.B. our Yard or delivered		List F.O.B. our yard or delivered	
	(Basis—20%)		(Basis—20%)	
Sheets (32"x48"x1/4") per sq. ft.	\$3.36	\$2.99	\$4.11	\$3.33
Wood Cap (1 1/2"x48, 64x3/4") per lin. ft.	.11	.09	.17	.14
Asbestos Cap (1-1/8"x48x1/2") per lin. ft.	.17	.14	.22	.18
Wood base (3"x48", 64"x3/4") per lin. ft.	.23	.19	.28	.23
Asbestos base (6"x48"x1/2") per lin. ft.	.36	.29	.40	.33
Standard Color Strips				
Straight Joint—48" per lin. ft.	.17	.14	.22	.18
Inside Corner—48" per lin. ft.	.23	.19	.28	.23
Outside Corner—48" per lin. ft.	.29	.23	.33	.27
Straight Joint—73" per lin. ft.	.20	.16	.25	.20
Inside Corner—73" per lin. ft.	.26	.21	.31	.26
Outside Corner—73" per lin. ft.	.31	.26	.36	.30
Chromium Plated Strips				
Straight Joint—48" per lin. ft.	.26	.21	On special order from factory only.	
Inside Corner—48" per lin. ft.	.28	.23		
Outside Corner—48" per lin. ft.	.33	.27		
Straight Joint—73" per lin. ft.	.30	.24		
Inside Corner—73" per lin. sq. ft.	.32	.26		
Outside Corner—73" per lin. ft.	.38	.31		
Clips (Nails included) per 100	2.12	1.70		
Cement Compound—per gallon	2.12	1.70		
Lacquer—(1/8 pt. can)—each.	.26	.21		

NOTE:—Direct mill shipments in unbroken crates (6 sheets) 30% discount from Johns-Manville Factory List F.O.B. Nashua, N. H. Crate includes one drill point and sufficient nails for six sheets.

These Prices Are Subject to Change Without Notice.

6270

11385 PRICE LIST ON JOHNS-MANVILLE ASPHALT SHINGLES,
SMOOTH AND SLATEKOTE ROLL ROOFINGS, BUILDING
PAPERS, ROOF PUTTY, ROOF COATINGS, ETC.

Discounts are applicable to prices shown in Johns-Manville Company's
price-list.

Carload Deliveries by Rail or Trucks From Factory:

1 to 6 cars	—20%-10% and 5%) As per Johns-Manville discount schedule.
6 to 12 cars	—20%-10% and 7½%	
12 cars and over	—20%-10% and 10%	

Pick-Ups at Delawanna

List price less 20% and 10%.

Deliveries by Our Trucks Within Our Usual Radius

List price less 20% and 10%. (This does not include Rockland and Sussex
Counties.)

Delivered Prices in Rockland and Sussex Counties.

Full seven and one-half ton loads.—List price less 20% and 10%.
Less than seven and one-half ton lots.—List price less 20% and 5%.

Asphalt Felt:—List price less 10% in carload lots, or mixed carloads. Less
than carload lots—List net.

Asbestos Roll Roofings:—List net plus \$.31 per cwt.

Cement Filled Columns:—With caps and bases—\$1.50 each.

4" Diameter—6' to 7'-6" Lengths.
For each 6" above 7'-6"—Add \$.20

These Prices Are Subject to Change Without Notice.

Government's Exhibit No. 592

Price List

KELLEY PLASTERBOARD COMPANY

INCORPORATED

DELAWANNA, NEW JERSEY

**Manufacturers and Distributors of
Building Materials**

January, 1938

Prices Subject to Change Without Notice

All taxes of any nature whatsoever now or hereafter levied by any government, Federal, state, or local, either directly or indirectly upon the sale of any product covered hereby, or upon the subject matter hereof, shall be paid by the purchaser.

Unless otherwise specified delivered prices apply within our usual trucking radius, and in various quantities according to the materials.

11387

PLASTERBOARD—PLASTER LATH—CORK GYPSUM WALLBOARD

For delivery Carload, Mixed Carload or Trucks, (minimum 7500 sq. ft.) F.O.B. DELAWARE, or into following territories use prices listed below each territory.

Essex, Middlesex, Suffolk and Norfolk Counties, Mass., that portion of Plymouth County, Mass. north of continuation of southern boundary of Norfolk County, and town of Mansfield, Mass.; also Manhattan, Bronx, Kings, Queens, Richmond and Nassau Counties, New York; also Hudson, Essex, Bergen, Passaic, Union, Morris, Somerset, Middlesex, Monmouth, Mercer and Camden Counties, New Jersey; also that portion of Burlington County, N. J. west of line extending from the southwest corner of Monmouth County to northwest corner of Camden County; also Bucks, Montgomery, Chester, Delaware and Philadelphia Counties, Penna.

	Gypsum Sheathing Per M sq. ft. 1/4"	1/2"	Wallboard Per M sq. ft. 1/4"	1/2"	Plasterboard (Liner Board) Per M sq. ft. 1/4"	1/2"	1/4"	Gypsum Lath 16x48 or 16x32 Per M sq. ft.	Perforated Lath Per M sq. ft.
Plain	\$23.50	\$20.50	\$24.10	\$26.50	\$18.50	\$16.10	\$17.75	\$14.10	\$14.50
Metallized	30.50	27.50	32.10	34.50	—	—	—	22.10	—

Balance of Plymouth County, Mass., Bristol County, Mass. (except town of Mansfield), Worcester and Barnstable Counties, Mass.; also State of Rhode Island; also Fairfield County, Connecticut; also Orange and Putnam Counties, New York; also Sussex, Warren, Hunterdon, Ocean, Atlantic, Cape May, Cumberland, Salem and Gloucester Counties, New Jersey; also that portion of Burlington County, N. J. east of line extending from the southwest corner of Monmouth County to the northeast corner of Camden County; also New Castle County, Delaware; also Lehigh and Northampton Counties, Pa.;

Plain	\$24.00	\$21.00	\$24.50	\$27.00	\$16.00	\$16.50	\$18.25	\$14.50	\$14.75
Metallized	31.00	28.00	32.50	35.00	—	—	—	22.50	—

Westchester, Rockland and Suffolk Counties, New York:

Plain	\$23.75	\$20.50	\$24.50	\$26.75	\$18.50	\$16.50	\$18.00	\$14.50	\$14.55
Metallized	30.75	27.50	32.50	34.75	—	—	—	22.50	—

State of Connecticut (except Fairfield and Litchfield Counties):

Plain	\$24.25	\$21.50	\$24.00	\$27.25	\$16.50	\$16.50	\$18.50	\$14.00	\$14.50
Metallized	31.25	28.50	32.50	35.25	—	—	—	22.00	—

Sullivan, Ulster and Dutchess Counties, New York, and Litchfield County, Connecticut:

Plain	\$24.50	\$21.50	\$24.50	\$27.50	\$16.50	\$16.50	\$18.75	\$14.50	\$15.10
Metallized	31.50	28.50	32.50	35.50	—	—	—	22.50	—

For Carload or Mixed Carload shipments into territories other than preceding, use following Mill Base prices, plus lowest combination of freight and Mill Base.

Mill Basing Points:

Oakfield, New York; Plasterco, Va.; Gypco, Ohio; New Brighton, S. I.; Boston, Mass., and Philadelphia, Pa. (See exception No. 1).

	Gypsum Sheathing Per M sq. ft. 1/4"	1/2"	Wallboard Per M sq. ft. 1/4"	1/2"	Plasterboard (Liner Board) Per M sq. ft. 1/4"	1/2"	1/4"	Gypsum Lath 16x48 or 16x32 Per M sq. ft.	Perforated Lath Per M sq. ft.
Plain	\$22.00	\$20.00	\$23.00	\$25.00	\$15.00	\$15.00	\$16.50	\$12.00	\$12.50
Metallized	29.00	27.00	32.00	33.00	—	—	—	22.00	—

*Exception No. 1:

Prices F.O.B. cars Philadelphia, Pa. apply for shipments into the following area only: States of New York, New Jersey, Maryland, Delaware and Virginia; the District of Columbia; that portion of Pennsylvania east and including Potter, Cameron, Clinton, Center, Mifflin, Juniata, Perry, Franklin and Fulton Counties; also Morgan, Berkeley and Jefferson Counties, west Virginia.

The above prices are for standard sizes only, as follows:

**Wallboard—1/4" and 1/2"—6'x6', 5', 6', 7', 8', 9', 10', 11', 12'.
Plasterboards—1/4", 1/2" and 1/4"—32"x36" or 32"x48".
Gypsum Lath—1/4"—16"x32" or 16"x48"—Bundled 6 pieces per bundle.

**We do not manufacture 1/4" Wallboard in 11' or 12' lengths.

The weights which are to be used in connection with Mill Bases for pricing purposes are as follows:

1/4" Gypsum Wallboard, Plasterboard and Lath	1050 lbs. per M sq. ft.
1/2" Gypsum Wallboard, Plasterboard and Lath	1475 lbs. per M sq. ft.
1/4" Gypsum Wallboard, Plasterboard and Lath	3000 lbs. per M sq. ft.
1/4" Gypsum Sheathing	3000 lbs. per M sq. ft.

11388

WALL PLASTERS

SANDED Kelley and Old Newark		NEAT Old Newark		PLASTER PARIS Old Newark		PLASTER PARIS	
Price per Ton in 100 lb. Paper Bags		NEAT \$ 9.50		SANDED \$ 6.50		PARIS \$16.50	
NEW JERSEY—Delivered cars or trucks.							
Hudson, Essex, Bergen, Passaic, Union, Morris, Middlesex, Somerset, Mercer and Monmouth Counties		9.50		6.50		16.50	
Camden County		9.50		7.00		16.50	
Sussex, Warren, Hunterdon and Ocean Counties		10.00		7.00		17.00	
Burlington County, on a line drawn from S. W. corner of Monmouth County to N. E. corner of Camden County		10.00		7.00		17.00	
Balance of Burlington County		9.50		7.00		16.50	
Burlington County—Entire		10.00		7.50		17.00	
Atlantic, Cape May, Gloucester, Salem and Cumberland Counties		10.00		7.50		17.00	
NEW YORK							
Manhattan, Bronx, Kings, Queens, Nassau and Richmond Counties		9.50		6.50		16.50	
Rockland, Westchester and Suffolk Counties		9.75		6.75		16.75	
Ulster, Sullivan and Dutchess Counties		10.50		7.50		17.50	
Putnam and Orange Counties		10.00		7.00		17.00	
PENNSYLVANIA							
Philadelphia, Delaware, Chester, Montgomery, and Bucks Counties		9.50		7.00		16.50	
Lehigh and Northampton Counties		10.00		7.50		17.00	
Berks and Lancaster Counties		10.00 cars		7.50 cars		17.00 cars	
F.O.B.—Philadelphia, Pa. for shipment (C/L or mixed C/L only) into that portion of Pennsylvania east of and including Potter, Cameron, Clinton, Center, Mifflin, Juniata, Perry, Franklin and Fulton Counties, also States of Delaware (except New Castle County), Maryland and District of Columbia.							
New Castle County, Delaware		8.00*		5.50*		15.00*	
New Castle County, Delaware		8.00*		8.00*		15.00*	
New Castle County, Delaware, Delivered				7.50 cars			
*To the above F.O.B. prices must be added freight from Philadelphia to destination.							
Bond Plaster—\$1.00 per ton higher than Neat Plaster.							
Wood Fibred Sanded Plaster \$1.00 per ton higher than Sanded Plaster.							
50 lb. Gauging Plaster \$1.00 per ton higher than 100 lb. Gauging.							
25 lb. Gauging Plaster 1.50 per ton higher than 100 lb. Gauging.							
10 lb. Gauging Plaster 6.00 per ton higher than 100 lb. Gauging.							
6 lb. Gauging Plaster 8.25 per ton higher than 100 lb. Gauging.							

*To the above F.O.B. prices must be added freight from Philadelphia to destination.

Bond Plaster—\$1.00 per ton higher than Neat Plaster.

Wood Fibred Sanded Plaster \$1.00 per ton higher than Sanded Plaster.

50 lb. Gauging Plaster \$1.00 per ton higher than 100 lb. Gauging.

25 lb. Gauging Plaster 1.50 per ton higher than 100 lb. Gauging.

10 lb. Gauging Plaster 6.00 per ton higher than 100 lb. Gauging.

5 lb. Gauging Plaster 8.25 per ton higher than 100 lb. Gauging.

INSULITE PRODUCTS

SEABOARD ZONE

The states of Massachusetts, Rhode Island, Connecticut, New Jersey, Delaware, and the District of Columbia; and that part of the state of New York which lies south and east of and which includes the following counties: Rensselaer, Schenectady, Albany, Greene, Ulster, Sullivan.

That part of the state of Pennsylvania which lies east of and which includes the following counties: Wayne, Lackawanna, Wyoming, Sullivan, Lycoming, Union, Snyder, Juniata, Perry, Cumberland, Adams.

That part of the state of Maryland which lies east of and which includes the following counties and which lie north of the Potomac River: Baltimore, Howard, Montgomery.

And, the following counties in the state of Virginia: Fairfax, Arlington, Accomac, Northampton; and the city of Alexandria.

Prices per M Sq. Ft., surface measurement—Freight allowed to destination.

PRODUCT	Thick- ness	Car Load 48,000 1/2" Boards	36,000 to 48,000 1/2" Boards	7,000 to 24,000 1/2" Boards	Less Than 7,000 1/2" Boards	No. Pieces Per Board	Approx. Succ. Wt. Per M (Sq. Ft.)
STANDARD OR GRAYLITE BUILDING BOARD							
4"x4, 5, 6, 7, 8, 9", 9", 10" and 12"	1/2"	\$33.00	\$34.00	\$35.00	\$36.00	6	725
4"x8, 4"x10, 4"x12	1/2"	33.00	34.00	35.00	36.00	12	740
BUILDING SHEATHING							
4"x8, 5", 6", 7", 8", 9", 10" and 12"	3/8"	42.00	43.50	45.00	46.50	4	1270
LARGE TILE 16" x 16" and larger	1/2"	36.00	37.00	38.00	41.50		725
SMALL TILE OR PLANK							
6", 8", 10", 12", 14" Widths 6", 8", 9", 10", 12" Lengths	1/2"	41.00	42.00	44.50	47.00		725
DUAL BOARD							
4"x8, 4"x12	1/2"	27.00	28.00	31.00	33.00	6	880
4"x8, 4"x10, 4"x12	1/2"	29.00	30.00	33.00	35.00	6	880
Shorts—3' and 4'x4'	1/2"	23.00	24.00	27.00	29.00	10	880
DE LUXE DUALBOARD							
4"x8, 4"x12	1/2"	47.00	48.00	52.00	56.00	6	1080
4"x8, 4"x10, 4"x12	1/2"	49.00	50.00	54.00	58.00	6	1080
Shorts—3', 3' and 4'x4'	1/2"	35.00	36.00	39.00	41.00	10	1080
HARDBOARD							
4"x8, 4"x12	1/2"	43.00	44.00	48.00	52.00	6	780
4"x8, 5' and 10'	1/2"	45.00	46.00	50.00	54.00	6	780
Shorts—3'x4'	1/2"	31.00	32.00	35.00	39.00	10	780
Shorts—3'x4' and 4'x4'	1/2"	35.00	36.00	39.00	43.00	10	780
4"x8, 4"x12	3/16"	55.00	56.00	60.00	65.00	6	1060
4"x8, 5' and 10'	3/16"	57.00	58.00	62.00	67.00	6	1060
Shorts—3', 3' and 4'x4'	3/16"	46.00	47.00	51.00	57.00	10	1060

KELLEY ROCK WOOL

F.O.B. Delawanna or delivered in our New Jersey Trucking area

	CARLOAD	L.C.L.
KELLEY ROCK WOOL Pads 9" x 15" wall-thick, packed 20 in a carton to cover 184 sq. ft. actual surface. 20 sq.-ft. gross area (including 2" joists on 16" centers). Price per 1,000 sq. ft.	\$0.50	\$1.50
Figures per carton	.94	1.14
KELLEY ROCK WOOL Loose or Commercial Wool packed in 55-lb. paper bags, 97-1/7 bags per ton, for packing around pipes, stuffing in corners, etc. Price per ton.	40.00	49.00
Figures per bag	.70	.854

A minimum-carload is 12 tons of Granulated Wool or Loose Wool, or approximately 10,000 sq. ft. of bats.

VENTO BASEMENT SASH

CHAMPION — PUTTLERS

Size and Type All Windows	Masonry Openings	Weight Lbs.	List Prices	NET PRICES	
				At 54% Discount 1 to 40	At 57% Discount 50 or More
2 Light—10 x 12	23 1/4 x 15	72	\$4.90	\$2.25	\$2.11
2 Light—14 x 20	31 1/4 x 23	18	5.35	2.45	2.30
3 Light—10 x 12	33 1/4 x 15	16	5.20	2.50	2.34
3 Light—10 x 15	33 1/4 x 19	19	5.45	2.51	2.34
3 Light—10 x 20	33 1/4 x 23	21	5.70	2.62	2.45
3 Light—12 x 15	35 1/4 x 21	21	5.70	2.62	2.45
3 Light—12 x 20	35 1/4 x 23	23	6.00	2.76	2.58
Copper Screens for any of above Sash			Any Quantity	1.75 each	
Mullion Bars 15", 21" or 23"			Any Quantity	.45 per pair	

The above prices are F.O.B. Delawanna, or delivered by truck within our regular trucking radius or freight allowed in eastern states. Screen orders of less than six screens will carry a crating charge of \$1.50 if shipped by rail.

To meet competition we can furnish "Defender" Putty Sash, at three points greater discount than above. Direct shipment from the Factory—Freight allowed.

Prices and Discounts on Premier Sash quoted on application.

TILE FINISH BOARDS

WALL TILE FOR KITCHENS, BATH ROOMS, ETC.

5/16" x 4" x 4"—Colonial Ivory, Porcelain White, (scored with Black lines) Victoria Green (scored with White lines) Anthracite Black (unscored)	per sq. ft.	\$.23
French Orchid, Twilight Blue, Anthracite Black (scored with White lines)	per sq. ft.	.25
3/4" x 4" x 4"—White (scored gray or black lines) Hollywood Ivory (white scores), Colonial Ivory (black scores) Green (white scores) per sq. ft.		.16
Black Cap—scored every 8", size 5/16 x 3" x 4"....per lin. ft.		.12
Black Base—scored every 8", size 5/16 x 4" x 4"....per lin. ft.		.15
Chrome Corner Strips. Inside corners—8" lengths; Outside corners—8" lengths.....per ft.		\$.15

The above prices are f.o.b. Delawanna, or delivered by truck within our regular trucking radius.

MORTAR COLORS

(F.O.B. Delawanna or Delivered by Truck or Rail)

	Per Ton
Clinton Hematite Red No. 10	50lb paper bags \$43.00
Clinton Colonial Buff No. 700	50lb paper bags \$4.00
Clinton Dark Buff No. 717	50lb paper bags \$4.00
Clinton Double Strength Black No. 900	50lb paper bags \$7.00
Clinton Pompeian Buff No. 600	50lb paper bags \$4.00
Clinton Double Strength Choc. No. 402	50lb paper bags \$4.00
Per B	
Cabots Lamplack—4—12 1/2 lb Pkgs.—50B Cartons	.12
Cabots Lamplack—12 1/2 lb Pkgs.—Less than 50B	.15
Cabots Lamplack—60—1lb Pkgs.—50B Cartons	.21
Cabots Lamplack—1lb Pkgs.—Less than 50B	.25

NAILS AND STAPLES

WIRE NAILS

1 to 9 Keg Lots	\$2.50 Base
10 to 24 Keg Lots	3.25 "
25 Keg Lots or more	3.25 "

CUT NAILS

1 to 5 Keg Lots	4.55 "
5 Keg Lots or more, (may include wire nails)	4.50 "

TILE CORNELL BOARD

F.O.B.

Delawanna

or Delivered

5000 or more	\$35.50 per M ft.
Less than 5000	\$3.00 per M ft.

Tile Board scored—4" x 4".

COLORED SAND

Orange, Red, Brown, Yellow

3 1/2 lb Cartons	each	.40
25 lb Bags	lb	.13
Green and Blue		
3 1/2 lb Cartons	each	.30
25 lb Bags	lb	.15

WATERPROOFING

FASTITE—LIQUID WATERPROOFING

1 gallon cans	\$1.25 per gal.
5 gallon cans	1.10 per gal.
30 and 55 gallon drums	1.00 per gal.
Less discount as follows:	
10 to 199 gallons	20%
200 to 499 gallons	30% & 10%
500 gallons or more	30% & 15%

WHITE CEMENT (MEDURA)

	F.O.B. Delawanna	Dealer's Yard
100lb Paper Bags	\$ 6.50 100L	\$ 6.80 100L

KEENES CEMENT

100lb Paper Bags	\$20.00 ton	\$20.00 ton
------------------	-------------	-------------

MARBLE DUST

100lb Non-Returnable Cloth Bags	\$12.50 ton	\$12.00 ton
---------------------------------	-------------	-------------

11300 STUCCO AND TEXTURES

F.O.B. Delawanna or Delivered

MONO-COAT (Colored Texture)

50 lb Packages, all colors and white..... per lb \$.04

DELA-TEX (White Texture)

25 lb, 50 lb Packages..... per lb .06

ARROW-TEX (Colored Texture)

25 lb and 50 lb Packages,
All colors and white..... per lb .08

MONUMENT EXTERIOR COLORED STUCCO

and
MONUMENT INTERIOR COLORED FINISH

100 lb Paper Bags

Regular colors, except t. ven, Blue and Special. \$26.50 per ton
Green, Blue and Special Colors..... 31.50 per tonThe above prices apply on pick-ups at our Factory, or are
with freight or trucking allowed in our regular trucking radius.
For shipments outside of trucking area the price will be \$1.50
per ton less than above F.O.B. Delawanna.

KELLEY JOINT FILLER

	F.O.B. Delawanna	Dealer's Yard
60 lb Cartons (12-5 lb Pkgs.)..... Per Carton	\$3.68	\$3.73
5 lb Packages (less than Carton)..... Per lb	.07	.07
50 lb Bags..... Per lb	.06	.06

KELLEY JOINT TAPE (Fabric)

250' per roll..... Per Roll .75 .75

CEDAR PLASTER

50 lb Paper Bags..... Per lb .12 .12

FINISHING HYDRATED LIME

(KELLEY, WASHINGTON OR HAWK SPREAD)

	Ohio Mill Base	F.O.B. Delawanna	Dealer's Yard*
50 lb Paper Bags.....	\$10.50 ton	\$15.95 ton	\$17.45 ton
25 lb Paper Bags.....	12.50 ton	17.95 ton	19.45 ton
10 lb Paper Bags.....	15.00 ton	21.45 ton	22.95 ton
5 lb Paper Bags.....	20.00 ton	25.45 ton	26.95 ton

KELLEY MASON'S HYDRATED LIME

	F.O.B. Delawanna	Dealer's Yard*
50 lb. Paper Bags.....	\$12.25 T.	\$12.75 T.

ALL PURPOSE HYDRATE

10 lb. Bags (5 per container).....	12.75 T.	20.25 T.
5 lb. Bags (10 per container).....	22.75 T.	34.25 T.

LUMP LIME

180 lb. net weight barrels..... 2.10 Bbl. 2.35 Bbl.

*In New York and New Jersey Metropolitan Area.

Attractive prices quoted on 5 Ton truck loads of above Mason's
Hydrate delivered on 24 hour notice to dealers' yards in follow-
ing areas:Southern part of Sullivan and Ulster Counties, Orange, Rock-
land, Westchester Counties New York, Greater New York;
Staten Island, New York; Sussex, Passaic, Bergen, Hudson,
Essex, Union, Middlesex, Somerset, Hunterdon, Warren, Morris
Counties, New Jersey; also Wayne, Pike, Monroe and North-
ampton Counties, Pa.

Prices on 15 Ton or 25 Ton cars quoted on request.

OLD NEWARK
ACOUSTICAL PLASTER

Price on 1/2" Basis:

To Contractors..... \$.75 per sq. yd.

To Dealers..... .85 per sq. yd.

Packed in 50 lb. paper bags.

Supplied in Natural color, Ivory, Cream or Buff.

The above prices are f.o.b. Delawanna, or for shipment into
the States of New Jersey, New York, Connecticut, Pennsylvania,
Maine, New Hampshire, Vermont, Massachusetts, Rhode Island,
Ohio, Delaware, Maryland, Virginia and District of Columbia.If order is handled through a dealer, dealer should invoice
the contractor at the above contractor's price.This price covers ample material to be applied one-half inch
thick in accordance with our standard specifications.OLD NEWARK
PATCHING PLASTER

FOR ALL PATCHING PURPOSES

2 1/2 lb. Package (packed 40 to a case)..... 10c per package

5 lb. Package (packed 20 to a case)..... 18c per package

10 lb. Package (packed 6 to a case)..... 30c per package

15 lb. Package (packed 4 to a case)..... 40c per package

FENOLITE
PASTE WALL PAINT

	F.O.B. Delawanna or Dealer's Yard
	White Tinted
Per Gal.—In gal. cans.....	\$1.65 \$1.75
Per Gal.—In quart cans.....	1.95 2.05

A really washable Wall Paint for all Interior Decorations,
made in ten beautiful colors. Fenolite is a new kind of paint,
different from both oil paint and the casein water paint, which it
supercedes. It combines the best features of oil and water
paints, and has the washability of oil paint. After three days
Fenolite is thoroughly washable.SEMATEX
WATERPROOF CEMENT PAINT

	F.O.B. Delawanna or Dealer's Yard
	White Tinted
Per lb.—in 25 lb. Pails.....	8 1/2c 7 1/2c
Per lb.—in 5 lb. Cans.....	7 1/2c 8 1/2c

Made in Ivory, Buff, Fawn, Gray, Green, Red, and White
Colors.SEMATEX CEMENT PAINT is the ideal beautifying and
protective coating for all porous masonry surfaces which have
not been previously coated with oil paint, kalsomine or casein
water paints.

KELLEY CONCRETE FILLED COLUMNS

11391

FIRE BRICK AND CLAY

4" Columns 16 lbs. per foot—3 1/4" Columns 13 lbs. per foot.
Standard Lengths—5', 6', 6' 6", 6' 6", 6' 6", 6' 6", 7', 7' 2",
7' 4", 7' 6", 8', 8' 6", 9', 9' 6", 10', 10' 6", 11', 11' 6", 12', 12' 6", 13', 13' 6".
Any length not standard carries a cutting charge.

DEALER'S NET PRICES

Quantity	3 1/4"	4"	Each 6"	Cutting Charge
1 to 5	\$2.21	\$2.34	\$.32 1/4	\$.32 1/4
6 to 49	2.04	2.16	.30	.30
50 or more	1.94	2.06	.28 1/4	.28 1/4

Extra caps and bases \$.30 per set.

Allowance for omitting caps and bases \$.10 per set.

These prices are for pick-up at Delawanna or delivered by truck or freight allowed. They apply in Maine, New Hampshire, Vermont, Rhode Island, Massachusetts, Connecticut, New York, New Jersey, Delaware and Maryland, also Pennsylvania, east of a north and south line 25 miles west of Harrisburg.

Cash discount 2% on delivered price.

SPECIAL COLUMNS—5' or longer F.O.B. Delawanna*

	Loose Caps and Bases	Weight
6" Light weight	\$1.10 per ft.	\$1.36 per set 30lb per ft.
8" Light weight	1.00 per ft.	1.34 per set 24lb per ft.
4 1/4" Heavy weight	.80 per ft.	1.36 per set 24lb per ft.

Cash discount—2% after freight.

Fraction of a foot 6" or under 6" charged at 1/4 ft. price.

Fraction of a foot over 6" charged at 1 ft. price.

*Or delivered within 100 miles.

SEWER PIPE

Flue Lining, Fire Brick, Clay

STANDARD THICKNESS SEWER PIPE

	F.O.B. Delawanna
3'-34" Standard Pipe 2' lengths and fittings	.65%
6'-12" Standard Pipe 3' lengths	.63%

DOUBLE STRENGTH SEWER PIPE

15" D. S. 2' lengths and fittings	.57%
15" D. S. 3' lengths and fittings	.55%
15"-24" D. S. 2' lengths and fittings	.55%
15"-24" D. S. 3' lengths and fittings	.53%
WALL COPING 8" and 12"	.65%
THIMBLES	.65%

FLUE LINING

Flue Lining up to 18" square and 24" round	.56%
Flue Lining 20x20, 20x24 and 24x24	.55%
Flue Lining 30" Round	.54%
Chimney Tops—A, B, C and D	.60%
Excelsior Type Tops For 8 1/4 x 8 1/4	Flue \$5.25 Net
Excelsior Type Tops For 8 1/4 x 13	Flue \$7.50 Net
Hollywood Pots 20" High For 8 1/4 x 13	Flue \$4.00 Net
Hollywood Pots 30" High For 13 x 13	Flue \$4.50 Net
Meadowbrook Pots 24" High For 8 1/4 x 13	Flue \$4.50 Net
Meadowbrook Pots 24" High For 13 x 13	Flue \$5.00 Net

*Prices on pots are F.O.B. Delawanna or delivered in our regular trucking area.

ROUND DRAIN TILE

	F.O.B. Delawanna
3"—4 lbs. weight	\$ 50.00 M
4"—6 lbs. weight	63.00 M
6"—12 lbs. weight	138.00 M

DELIVERY CARTAGE ON PIPE AND DRAIN TILE

	Drain Tile Per M ft.			Pipe and Fittings
	3"	4"	6"	
Zone A (Nearby)	\$4.00	\$ 6.00	\$12.00	3%
Zone B (Intermediate)	6.00	9.00	18.00	5%
Zone C (States Island)	7.50	11.00	22.00	6%
Zone D (Beyond B & C)	8.50	12.50	25.00	7%

F.O.B.

Delawanna

Mt. Savage—5" No. 1, 3175, 7 1/4 lbs.	\$75.00 M
M. F. B.—5" No. 2, 2350, 7 1/4 lbs.	55.00 M
Globe Smooth Fireplace Laid Brick, 3 1/4", 6 1/4" lbs.	41.00 M
Oven Tile—3 x 12 x 12	Each .31 1/4
Clay—Best Grade—20 Mesh—per 100 lbs.	.75
Brick-Lok Bonding Mortar—Sets without heat—	
per 100 lb. Bag	5.50

Delivery charges of above on application.

DONLEY PRODUCTS

Package Receivers, Dampers, Etc.

ROTARY CONTROL DAMPERS

	Each
No. 230	\$ 4.05
No. 236	4.00
No. 242	5.15
No. 248	6.10
No. 254	10.50
No. 260	11.65

POKER CONTROL DAMPERS

	Each
No. 230	\$ 3.50
No. 236	4.15
No. 242	4.75
No. 248	5.40
No. 254	9.50
No. 260	10.75
No. 272	12.00

STEEL ANGLES

Angles should be 6" longer than width of fireplace opening.

	Each
36"—4"x3"	\$.55
42"—3"x3"	.50
48"—3"x3"	.70
54"—4"x3"	1.30
60"—4"x3"	1.30
72"—4"x3"	1.45

GARBAGE RECEIVERS

	Each
No. 100—9 Gallon	\$5.00
No. 112—12 Gallon	5.75
No. 115—15 Gallon	6.75

BELL TRAPS

	Each
6 x 6 Per Dozen	\$ 3.00
9 x 9 Per Dozen	3.50
12 x 12 Per Dozen	15.00

BRICK CLAMPS

\$1.25 each

MAIL RECEIVERS

	Each
No. 2 F (Frame)	\$5.50
No. 2 B (Brick)	5.50

COAL CHUTES

	Each
6" No. 20—Solid Door	\$5.50
12" No. 215—Solid Door	5.50

DUTCH OVEN DOORS

\$1.00 each

MORTAR BOXES

No. 1—7 6"x13"x6"—	\$12.50
No. 2—5'10"x13"x4"—	9.50
Tub—30"x20"x6"—	1.00

PACKAGE RECEIVERS

	Each
No. 1	\$3.50
No. 2	5.50
No. 3	5.10

No charge for trucking when loaded with other material.

11392 BENNETT DAMPERS

	Width of Fireplace	Poker List	*Poker Net	Rotary List	*Rotary Net
No. 31	29" to 31"	\$5.00	\$3.35	\$5.00	\$3.90
No. 34	32" to 34"	5.50	3.80	6.50	4.55
No. 37	35" to 37"	6.00	3.90	7.00	4.85
No. 43	38" to 43"	7.00	4.55	8.00	5.20

All above carried in stock. These sizes of Bennett Dampers are made with wide flange and may be used without angle irons. The best authorities, however, recommend the placing of all Dampers two courses of brick above the Arch, and the consequent use of angle irons under the Arch course of brick.

*These are Net Dealer Prices, F.O.B. Delawanna, or delivered by truck or rail in any quantity from our warehouse.

METAL LATH

Sold by KELLEY METAL LATH CO., Sales Agents
For Bestwick Steel Lath Co.

Size 24" x 36"

All Types Lath Packed 9 Sheets per Bundle; 16 sq. ft. per Sheet
16 sq. yds. per Bundle. Diamond Mesh also Packed 10 Sheets
per Bundle in 27" Width—20 sq. yds. per Bundle.

ZONE 1—EASTERN STATES

F.O.B. Delawanna or Delivered Price per Yard

Bestwick Truss Loop, 4.5 Painted	\$.365
Bestwick Truss Loop, 4.25 Galvanized	.365
Diamond Mesh Lath, 2.2 Painted	.15
Diamond Mesh Lath, 2.5 Painted	.17

METAL LATH - continued

Diamond Mesh Lath, 2.0 Painted	.135
Diamond Mesh Lath, 2.4 Painted	.135
Diamond Mesh Lath, 2.5 Galvanized	.30
Diamond Mesh Lath, 2.4 Galvanized	.325
Flat Rib—Boas or Vee Rib Type, 2.75 Painted	.135
Flat Rib—Boas or Vee Rib Type, 3.0 Painted	.305
Flat Rib—Boas or Vee Rib Type, 3.4 Painted	.315
Flat Rib—Boas Rib Type, 3.4 Galvanized	.365
1/2" Rib Lath, 3.0 Painted	.305
1/2" Rib Lath, 3.4 Painted	.315
Self-Furring Lath, 2.5 Galvanized	.21
Self-Furring Lath, 3.4 Galvanized	.225

Price per 1000 ft.

Cornelite 2" Wings—F—43 pcs—504 ft. per bble.	\$14.50
Cornelite 2" Wings—F—43 pcs—504 ft. per bble.	14.50
Cornelite 4" Wings—F—43 pcs—504 ft. per bble.	15.50
3" Striptite—F	2.50
Arch Band—Economy—4' Lengths	20.50
Truss Wing Corner Band—F, T, F, 8" F, 7, 10' and 12'	19.00
Bull Nose Corner Band—H", per M ft.	20.00
Expanded Corner Band—F—F, T, F, 7, 10' and 12'	20.00
Wall Tie—T x H" (1000 per box—35 lb.)	per box 1.20

METAL ARCHES

No. 11 True half circle design for 20" openings, set	\$10.50
No. 22 True half circle design for 21 1/2" openings, set	\$12.50
No. 33 Gothic design for 21 1/2" openings, set	2.55 1.80
No. 44 Gothic design for 21 1/2" openings, set	2.50 2.50
No. 55 Elliptic design for 21 1/2" openings, set	2.50 2.15
No. 65 Elliptic design for 21 1/2" openings, set	2.70 2.50
No. 75 Elliptic design for 20 1/2" openings, set	2.55 2.45

MASONS HYDRATE OR AGRICULTURAL LIME

We are now in a position to deliver Masons or Agricultural Hydrate Lime—Kellay brand—in truckload lots of 8 to 15 tons in the territory mentioned below. Deliveries to points near that area may be arranged and prices will be quoted on application. Our regular trucking area in line will be as follows: Wayne, Pike, Monroe and Northampton Counties, Pennsylvania; Southern half of Sullivan and Ulster Counties, New York, Orange, Rockland, and Westchester Counties, New York, Greater New York including Staten Island and all of Long Island; Sussex, Passaic, Bergen, Essex, Hudson, Morris, Warren, Hunterdon, Somerset, Union, Middlesex, Mercer and Monmouth Counties, New Jersey.

We are listing below the delivered prices on Masons or Agricultural Lime to different points giving you the 15 and 25 ton standard delivered prices and the truckload price in lots of 8 to 15 tons.

In order to meet certain competition, we are quoting Agricultural Hydrate only, for delivery to farm sites at the same price as delivered to the dealer's yard. All sales will be made through dealers.

NEW JERSEY

	Carload 11 Tons	Carload 15 Tons	Truckload 8-15 Tons
BERGEN CO.			
Allendale	\$11.50	\$11.00	\$11.75
Bergenfield	11.50	11.10	11.50
Bogota	11.50	11.00	11.75
Carlstadt	11.50	11.00	11.75
Closter	11.00	11.10	11.50
Cresskill	11.00	11.10	11.55
Dumont	11.00	11.10	11.50
Englewood	11.50	11.00	11.75
Fair Lawn	11.50	11.00	11.75
Garfield	11.00	10.50	11.15
Glen Rock	11.50	10.50	11.50
Hickensack	11.50	11.00	11.75
Kingsland	11.50	11.00	11.75
Leonia	11.50	11.00	11.75
Little Ferry	11.50	11.00	11.75
Lyndhurst	11.50	11.00	11.75
Midland Park	11.00	10.40	11.15
Parkridge	11.00	11.10	11.55
Ramsey	11.50	11.00	11.75
Ridgely Park	11.50	11.00	11.75
Rochelle Park	11.50	11.00	11.75
Tenafly	11.50	11.10	11.55
Walidwick	11.50	11.00	11.75

ESSEX CO.

	Carload 15 Tons	Carload 25 Tons	Truckload 8-15 Tons
Blomfield	11.20	10.60	11.25
Caldwell	11.20	10.60	11.25
E. Orange	11.40	10.80	11.55
Irvington	11.50	11.00	11.75
Millburn	11.40	10.80	11.55
Montclair	11.00	10.40	11.15
Newark	11.50	11.00	11.75
Nutley	11.50	11.00	11.75
Orange	11.40	10.80	11.55
Verona	11.20	10.60	11.25
West Orange	11.40	10.80	11.55

HUDSON CO.

	Carload 15 Tons	Carload 25 Tons	Truckload 8-15 Tons
Bayonne	11.50	11.00	11.75
Harrison	11.50	11.00	11.75
Hoboken	11.50	11.00	11.75
Jersey City	11.50	11.00	11.75
Kearny	11.50	11.00	11.75
North Bergen	11.50	11.00	11.75
Secaucus	11.50	11.00	11.75

HUNTERDON CO.

	Carload 15 Tons	Carload 25 Tons	Truckload 8-15 Tons
Annandale	11.00	10.40	11.15
Clinton	11.50	11.00	11.75
Flemington	11.50	11.00	11.75
Frenchtown	11.00	11.10	11.05
Hampton	10.50	10.20	11.05
High Bridge	11.50	10.40	11.15
Millford	11.50	11.00	11.75
Pittstown	11.50	11.00	11.75
White House	11.50	11.00	11.75

MERCER CO.

	Carload 15 Tons	Carload 25 Tons	Truckload 8-15 Tons
Hightstown	11.50	11.00	11.75
Hopewell	11.50	11.00	11.75
Lawrenceville	11.40	10.80	11.05
Pennington	11.50	11.00	11.75
Princeton	11.40	10.80	11.05
Princeton Jct.	11.40	10.80	11.05
Robbinsville	11.50	11.00	11.75
Trenton	10.50	10.20	10.50
Yardville	11.50	11.00	11.75

11398

MIDDLESEX CO.

	Carted 15 Yds	Carted 20 Yds	Trackhead 20 Yds
Cortlandt	11.00	11.10	11.25
Metuchen	11.50	11.00	11.75
Milltown	11.00	11.70	11.85
Monmouth Jet.	11.50	11.00	11.75
New Brunswick	11.50	11.00	11.75
New Market	11.00	11.10	11.25
Port Amboy	11.00	11.10	11.25
Plainboro	11.40	10.80	11.55
Sayreville	11.00	11.10	11.25
Swanton	11.00	11.10	11.25
South Amboy	11.00	11.10	11.25
South Plainfield	11.00	11.10	11.25
Woodbridge	11.00	11.10	11.25

MONMOUTH CO.

Allenwood	11.70	11.20	11.50
Ashbury Park	11.70	11.20	11.50
Athletic Highlands	11.70	11.20	11.50
Belmar	11.70	11.20	11.50
Bradley Beach	11.70	11.20	11.50
Eatonville	11.70	11.20	11.50
Englishtown	11.50	11.10	11.25
Farmingdale	11.00	11.10	11.25
Freehold	11.00	11.10	11.25
Highlands	11.70	11.20	11.50
Kennsburg	11.70	11.20	11.50
Kearport	11.70	11.20	11.50
Long Branch	11.70	11.20	11.50
Manasquan	11.70	11.20	11.50
Metavon	11.50	11.10	11.25
Monmouth Beach	11.70	11.20	11.50
N. Ashbury Park	11.70	11.20	11.50
Red Bank	11.70	11.20	11.50
Spring Lake	11.70	11.20	11.50
West End	11.70	11.20	11.50

MORRIS CO.

Bloomton	10.40	10.50	10.60
Butler	10.40	10.40	10.75
Chatham	11.20	10.80	11.25
Denville	10.40	10.40	10.75
Dover	10.30	9.90	10.70
Lincoln Park	10.00	10.00	10.80
Madison	11.20	10.80	11.25
Millington	11.50	11.00	11.75
Morris Plains	10.40	10.40	10.80
Morristown	10.40	10.40	10.80
Netcong	10.10	9.90	10.60
Newfoundland	10.40	10.40	10.75
Poquonock	10.30	10.30	10.90
Rockaway	10.40	10.40	10.75
Whippany	11.20	10.80	11.25

PASSAIC CO.

Allwood	11.00	10.40	11.15
Athens	11.00	10.40	11.15
Bloomington	10.40	10.40	10.75
Clifton	11.00	10.40	11.15
Delawanna	11.20	11.00	11.75
Hawthorne	11.00	10.40	11.15
Little Falls	10.80	10.30	10.95
Mountain View	10.80	10.30	10.95
Pascack	11.20	10.40	11.15
Peterboro	11.00	10.40	11.15
Pompton	10.80	10.30	10.95

	Carted 15 Yds	Carted 20 Yds	Trackhead 20 Yds
Pompton Lakes	11.00	10.40	11.15
Ringoe	10.80	10.30	10.95
Wanaque-Midvale	11.00	10.40	11.15

SOMERSET CO.

Belle Meade	11.50	11.00	11.75
Bernardsville	11.50	11.00	11.75
Bound Brook	11.00	11.10	11.25
Far Hills	11.50	11.00	11.75
Gladstone	11.50	11.00	11.75
Manville	11.50	11.00	11.75
Raritan	11.50	11.00	11.75
Rocky Hill	11.50	11.00	11.75
Somerville	11.50	11.00	11.75

SUSSEX CO.

Andover	10.00	9.80	10.25
Branchville	10.20	9.80	10.65
Franklin	10.20	9.80	10.65
Hamburg	10.20	9.80	10.70
Lafayette	10.10	9.80	10.60
Newton	10.10	9.80	10.60
Ogdensburg	10.20	9.80	10.65
Sparta	10.20	9.80	10.65
Somerset	10.30	9.80	10.70

UNION CO.

Crapford	11.50	11.00	11.75
Elizabeth	11.50	11.00	11.75
Elizabethport	11.50	11.00	11.75
Hillside	11.50	11.00	11.75
Linden	11.50	11.00	11.75
Piscataway	11.50	11.00	11.75
Plainfield	11.50	11.10	11.25
Rahway	11.50	11.10	11.25
Roselle	11.50	11.00	11.75
Rumson	11.20	10.80	11.25
Towsey	11.50	11.00	11.75
Westfield	11.00	11.10	11.25

WARREN CO.

Belvidere	10.40	10.00	10.75
Blairtown	10.40	10.00	10.75
Buttsville	10.40	10.00	10.75
Grant Meadows	10.20	9.90	10.65
Hackettstown	10.00	10.00	10.80
Phillipsburg	11.00	10.40	11.15
Washington	10.00	10.00	10.80

PENNSYLVANIA

MONROE CO.

Stroudsburg	11.00	10.40	11.15
-------------	-------	-------	-------

NORTHAMPTON CO.

Bethlehem	11.40	10.80	11.55
Easton	11.00	10.40	11.15
Hamersmith	11.20	10.60	11.25
Penn Allen	11.50	11.00	11.75

WAYNE CO.

Hawley	11.20	11.20	12.05
Honesdale	11.20	11.20	12.05

NEW YORK

ORANGE CO.

	Carted 15 Yds	Carted 20 Yds	Trackhead 20 Yds
Central Valley	11.40	10.80	11.55
Chester	11.00	10.40	11.15
Cornwall	11.00	11.00	11.75
Highland Falls	11.00	11.10	11.25
Highland Mills	11.40	10.80	11.55
Middletown	11.00	10.40	11.15
Mishawaka	11.40	10.80	11.55
Montgomery	11.40	10.80	11.55
Newburgh	11.50	11.00	11.75
Port Jervis	11.50	11.00	11.75
Washingtonville	11.40	10.80	11.55

ROCKLAND CO.

Congers	11.00	11.10	11.25
Haverstraw	11.20	11.10	11.25
Monsey	11.50	11.00	11.75
Nanuet	11.00	11.10	11.25
New City	11.00	11.10	11.25
Nyack	11.00	11.10	11.25
Orangeburg	11.00	11.10	11.25
Pearl River	11.00	11.10	11.25
Ramapo	11.50	11.00	11.75
Shenandoah	11.50	11.00	11.75
Spartanburg	11.50	11.00	11.75
Spring Valley	11.50	11.00	11.75
Tappan	11.50	11.00	11.75
Thompson	11.00	11.10	11.25
West Haverstraw	11.00	11.10	11.25
West Nyack	11.00	11.10	11.25

SULLIVAN CO.

Callicoon	11.20	11.10	11.25
Fallsburg	11.00	11.10	11.25
Fondaco	11.00	11.10	11.25
Liberty	11.00	11.10	11.25
Monticello	11.00	11.10	11.25
Mountainville	11.00	11.10	11.25
Narrowsburg	11.70	11.20	11.95
Sullivanville	11.20	11.10	11.25
Wurtsboro	11.00	11.10	11.25

NEW YORK CITY

AND LONG ISLAND POINTS

Manhattan	11.00	11.10	11.25
Bronx	11.00	11.10	11.25
Richmond	11.00	11.10	11.25
Kings	11.00	11.10	11.25
Queens	11.00	11.10	11.25
Jamaica, L. I.	11.70	11.20	11.95
Mineola, L. I.	12.20	11.70	12.45
Patchogue, L. I.	12.40	11.90	12.65
W. Hampton, L. I.	12.00	12.50	13.25

WESTCHESTER CO.

Yonkers	11.70	11.20	11.95
Mt. Vernon	11.70	11.20	11.95
New Rochelle	11.70	11.20	11.95
Port Chester	12.00	11.50	12.25
Tuckahoe	11.50	11.30	12.05
White Plains	11.50	11.30	12.05
Katonah	12.00	11.40	12.15
Peekskill	11.50	11.30	12.05
Tarrytown	11.70	11.20	11.95
Irrington	11.70	11.20	11.95
Croton	11.50	11.30	12.05

All prices subject to a cash discount of 25c per ton. For prices on quantities of less than eight tons, see time set-up on page No. 5 of this price list.

11394

Government's Exhibit No. 593

MARCH 1ST, 1937

GYPSUM BOARD

Pick-Up at Delawanna (7500 sq. ft. Minimum)

	Wallboard ^a		Plasterboard			Gypsum Lath		Perforated Lath
	1/4"	3/8"	1/4"	3/8"	1/2"	16x48 or 16x32	3/8"	
	Per M Sq. Ft.					Per M Sq. Ft.		Per M Sq. Ft.
Plain	\$20.70	24.00	15.70	16.00	17.70	14.00		14.25
Metallized	27.70	33.00	—	—	—	23.00		—

For delivery Carload, Mixed Carload or Trucks (minimum 7500 sq. ft.) into following territory use same prices as above:

Essex, Middlesex, Suffolk and Norfolk Counties, Mass., that portion of Plymouth County, Mass. north of continuation of southern boundary of Norfolk County, and town of Mansfield, Mass.; also Manhattan, Bronx, Kings, Queens, Richmond and Nassau Counties, New York; also Hudson, Essex, Bergen, Passaic, Union, Morris, Somerset, Middlesex, Monmouth, Mercer and Camden Counties, New Jersey; also that portion of Burlington County, N. J. west of line extending from the southwest corner of Monmouth County to the northeast corner of Camden County; also Bucks, Montgomery, Chester, Delaware and Philadelphia Counties, Penna.

For delivery Carload, Mixed Carload or Trucks (minimum 7500 sq. ft.) into following territory, use prices as listed below each territory:

Balance of Plymouth County, Mass., Bristol County, Mass. (except town of Mansfield), Worcester and Barnstable Counties, Mass.; also state of Rhode Island; also Fairfield County, Connecticut; also Orange and Putnam Counties, New York; also Sussex, Warren, Hunterdon, Ocean, Atlantic, Cape May, Cumberland, Salem and Gloucester Counties, New Jersey; also that portion of Burlington County, N. J. east of line extending from the southwest corner of Monmouth County to the northeast corner of Camden County; also New Castle County, Delaware, also Lehigh, Northampton, Berks and Lancaster Counties, Penna.

	Wallboard		Plasterboard			Gypsum Lath		Perforated Lath
	1/4"	3/8"	1/4"	3/8"	1/2"	3/8"	16x48 or 16x32	
	Per M Sq. Ft.					Per M Sq. Ft.		Per M Sq. Ft.
Plain	20.95	24.40	15.95	16.40	18.15	14.40		14.65
Metallized	27.95	33.40	—	—	—	23.40		—

• Westchester, Rockland and Suffolk Counties, New York:

Plain	20.85	24.25	15.85	16.25	17.90	14.25	14.50
Metallized	27.85	33.25	—	—	—	23.25	—

State of Connecticut (except Fairfield and Litchfield Counties):

Plain	21.05	24.60	16.05	16.60	18.40	14.60	14.85
Metallized	28.05	33.60	—	—	—	23.60	—

Sullivan, Ulster and Dutchess Counties, New York and Litchfield County, Conn.:

Plain	21.20	24.75	16.20	16.75	18.65	14.75	15.00
Metallized	28.20	33.75	—	—	—	23.75	—

Delaware, Greene and Columbia Counties, New York:

Plain	21.45	25.10	16.45	17.10	19.10	15.10	15.35
Metallized	28.45	34.10	—	—	—	24.10	—

Niagara and Erie Counties, New York (including town of Gowanda):

Plain	20.70	24.00	15.70	16.00	17.60	14.00	14.25
Metallized	27.70	33.00	—	—	—	23.00	—

11395 Plain—Wallboard, Plasterboard and Lath

For Carload or Mixed Carload shipments into territories other than above, use following Mill Base prices, plus lowest combination of freight and Mill Base.

	Wallboard		Plasterboard			Gypsum Lath		Perforated Lath
	1/4"	3/8"	1/4"	3/8"	1/2"	3/8" 16x48 or 16x32	Per M Sq. Ft.	
	Per M Sq. Ft.	Per M Sq. Ft.	Per M Sq. Ft.	Per M Sq. Ft.	Per M Sq. Ft.	Per M Sq. Ft.	Per M Sq. Ft.	Per M Sq. Ft.
Oakfield, N. J.	\$20.00	23.00	15.00	15.00	16.25	13.00		13.25
Plasterco, Va.	20.00	23.00	15.00	15.00	16.25	13.00		13.25
Gypsum, Ohio	20.00	23.00	15.00	15.00	16.25	13.00		13.25
*New Brighton, S. I.	*20.00	*23.00	*15.00	*15.00	*16.25	*13.00		*13.25
*Philadelphia, Pa.	*20.00	*23.00	*15.00	*15.00	*16.25	*13.00		*13.25
*Boston, Mass.	*20.00	*23.00	*15.00	*15.00	*16.25	*13.00		*13.25

(*) Prices f.o.b. cars Boston, Mass., New Brighton, N. Y. and Philadelphia, Pa. apply for shipments into the following area only; States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Maryland, Delaware and Virginia; the District of Columbia; that portion of Pennsylvania east of and including Potter, Cameron, Clinton, Center, Mifflin, Juniata, Perry, Franklin and Fulton Counties; also Morgan, Berkeley and Jefferson Counties, West Virginia.

We do not list basing point farther west than Gypsum, Ohio. For shipments into western territories it would be necessary to use Western basing points.

The above prices are for standard sizes only, as follows:

** Wallboard—1/4" and 3/8"—4'x4', 5', 6', 7', 8', 9', 10', 11', 12'

Plasterboards—1/4", 3/8" and 1/2"—32x36

Gypsum Lath—3/8"—16x32 or 16x48

** We do not manufacture 1/4" Wallboard in 11' or 12' lengths.

11396 Metallized Wallboard and Lath (One Side Only)

For Carload, or Mixed Carload shipments into territories other than listed before use following Mill Base prices, plus lowest combination of freight and Mill Base.

	Wallboard		Metallized Gypsum Plaster Lath 16x32 or 16x48
	1/4"	3/8"	
	Per M Sq. Ft.		
Oakfield, N. Y.	\$27.00	32.00	
Plasterco, Va.	27.00	32.00	
Gypsum, Ohio	27.00	32.00	See Note A
*New Brighton, S. I.	*27.00	*32.00	
*Philadelphia, Pa.	*27.00	*32.00	
*Boston, Mass.	*27.00	*32.00	

(a) 3/8" Metallized Plaster Lath:

(1) \$22.00 per M Sq. Ft. f.o.b. Philadelphia, Pa., New Brighton, S. I., N. Y. and Boston, Mass. for shipments into following area only; States of Maine, New Hampshire, Vermont, Massachusetts, Rhode Island, Connecticut, New York, New Jersey, Maryland, Delaware, and Virginia; the District of Columbia; that portion of Pennsylvania east of and including Potter, Cameron, Clinton, Center Mifflin, Juniata Perry, Franklin and Fulton Counties; also Morgan, Berkeley and Jefferson Counties, West Virginia.

(a) \$22.00 per M Sq. Ft. f.o.b. Oakfield, N. Y., Gypsum, Ohio, Detroit, Mich., East Chicago, Ind., Grand Rapids, Mich., and Plasterco, Va. for shipments into area east of the Mississippi River, also cities of Duluth, Minneapolis and St. Paul, Minn., and towns below St. Paul on the west bank of the Mississippi River down to the Arkansas-Tennessee line.

11397

Government's Exhibit No. 594

**Complaint on Sale of Patented Gypsum Wallboard and
Gypsum Plasterboard in Violation of License to
Manufacture and Sell Such Patented Products**

JUNE 5, 1936.
(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Complaint against Kelley Plasterboard Company
(Manufacturer)

Name of Customer involved _____

Date of Violation _____

Shipped From _____

(Mill)

By _____

(Rail or Truck)

Type of Violation _____

Portage Involved	(Wallboard)	Size	(Wallboard)	Billed Price	(Wallboard)	Price Should Have Been	(Wallboard)
	(Plasterboard)		(Plasterboard)	Per M	(Plasterboard)		(Plasterboard)

Facts Concerning Complaint

Licensee, through Mr. Stremble, a free lance commission man, quoted the carload price on a truckload of patented gypsum board to the Alco Lumber Company and Universal Lumber & Trim Company, both of Brooklyn, New York.

It is also reported that Mr. Stremble quoted Tom Tesauro Lumber & Coal Company, Coney Island, New York a price of \$1.10 per M sq. ft. less than the license price on a truckload of patented board.

UNITED STATES GYPSUM COMPANY
(Name of Complainant)

By H. F. SADLER .

(Title)

(Use reverse side, if more space needed for complaint)

6284

11398

Government's Exhibit No. 595

JUNE 8, 1936

KELLEY PLASTERBOARD COMPANY, INC.
Delawanna, New Jersey

GENTLEMEN:

We enclose herewith memorandum of a matter which the Board Survey Company has been asked to investigate. We will be glad to receive your explanation concerning this matter.

Yours very truly,

CBM:IC

Encl.

Kelley—3—Alco Lumber

Universal Lumber

Tom Tesauro Lumber

6285

11399

Government's Exhibit No. 596

JULY 16, 1936

UNITED STATES GYPSUM COMPANY
• • 300 West Adams Street
Chicago, Illinois

Attention: MR. H. F. SADLER

GENTLEMEN:

June 8th the substance of your request for investigation dated June 5th concerning price quotations by the Kelley Plasterboard Company to the Alco Lumber Co., Universal Lumber & Trim Co. and Tom Tesauro Lumber & Coal Co. was sent to the Kelley Plasterboard Company. There is herewith enclosed a copy of their reply. Is this answer satisfactory or do you believe the matter requires further investigation, and if so, in what respect?

If we do not have a request for further investigation we shall assume that you consider the answer sufficient and shall close our files in the matter.

Yours very truly,

CBM:HR

Enc.

Kelley—3—Alco

Universal

Tom Tesauro

cc—Board Survey Co.

6286

11400

Government's Exhibit No. 596A

Complaint on Sale of Patented Gypsum Wallboard and
Gypsum Plasterboard in Violation of License to
Manufacture and Sell Such Patented Products

JUNE 22, 1936.
(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

(COPY)

Date of Complaint: June 3, 1936.

Name of Customer involved: Alco Lumber Co., Brooklyn, N. Y.
Universal Lumber & Trim Co., Brooklyn, N. Y.
Tom Tesaro Lumber & Coal Co., Coney Island,
N. Y.

Address of Customer involved _____

Date of Violation _____ Shipped From _____ By _____
(Mill) (Rail or Truck)

Type of Violation _____

Footage	(_____)	Billed	(_____)	Price	(_____)	Price	(_____)
Involved	(Wallboard)	Size	(Wallboard)	Price	(Wallboard)	Should	(Wallboard)
	(Plasterboard)		(Plasterboard)	Per	(Plasterboard)	Have	(Plasterboard)
				M		Been	

Licensee's Explanation

Mr. Stremble we find is an employee of the Structural Gypsum Co., a division of the American Cyanamid & Chemical Co., to whom we sell Gypsum Board. We have taken up with them the charges made against Mr. Stremble, and have been definitely advised that he will no longer offer for sale Gypsum Wallboard and Gypsum Lath. They however deny any charges which are made against Stremble, but in order to eliminate any further complaint they have agreed to restrict his sales to products manufactured by them only.

KELLEY PLASTERBOARD COMPANY, INC.
(Name of Licensee)

By S. J. Kelley

(Title)

(Use this Form to Answer Complaints From Board Survey Co.)

11401

Government's Exhibit No. 597

JUNE 20, 1938

MR. WILLIAM STREMBLE
3 Third Street
Meadow Mere Park
Jamaica, L. I.
New York

DEAR BILL:

Enclosed is confirmation of our wire to you this afternoon, which is self-explanatory.

There have been evidences of split commissions, to which, of course, we cannot be parties. As you know, all gypsum board is manufactured and sold under license agreement, and we have to adhere rigidly to the terms.

I am sorry that we have to take this action, but in view of the circumstances, there is nothing else that can be done.

Very truly yours,

AMERICAN CYANAMID & CHEMICAL CORP.
STRUCTURAL GYPSUM DIVISION

H. G. McCORMACK
Assistant Manager

HGMcC:jvl

SEPTEMBER 14, 1936.

Effective September 15th, 1936, the Following Prices Will
Apply on Plasterboard, Lath and Wallboard

*Note: 1/4" Wallboard reduced \$1.00 per M sq. ft.
3/8" Wallboard reduced \$2.00 per M sq. ft.
Plasterboard and Lath Do Not Change

Prices in effect will be		Carload—Min. 40,000 lbs.	Truckload—Min. 5000 sq.ft.
Metro. N.Y.-N.J., Boston and Philadelphia Areas.	Wallboard 1/4"	\$20.00 M sq.ft.	\$21.00 M sq.ft.
	3/8"	25.00 M sq.ft.	26.00 M sq.ft.
	Plasterboard or 1/4"	15.00 M sq.ft.	16.00 M sq.ft.
	Lath 3/8"	15.00 M sq.ft.	16.00 M sq.ft.
	1/2"	16.25 M sq.ft.	17.25 M sq.ft.
		Carload—Min. 40,000 lbs.	Truckload—Min. 5000 sq.ft.
Southeast New York and Southern New Jersey Areas, also Lehigh and Northampton Counties, Pa. and New Castle County, Del.	Wallboard 1/4"	\$21.00 M sq.ft.	\$22.00 M sq.ft.
	3/8"	26.00 M sq.ft.	27.00 M sq.ft.
	Plasterboard or Lath 1/4"	16.00 M sq.ft.	17.00 M sq.ft.
	3/8"	16.00 M sq.ft.	17.00 M sq.ft.
	1/2"	17.25 M sq.ft.	18.25 M sq.ft.

Description of Trucking Areas:

Metro. New York-New Jersey Area: Manhattan, Bronx, Kings, Queens, Richmond, Westchester, Rockland, Nassau and Suffolk Counties, N. Y., also Hudson, Essex, Union, Bergen, Passaic, Morris, Middlesex, Mercer, Monmouth, Hunterdon, Warren, Somerset, Sussex and Ocean Counties, New Jersey.

Philadelphia Area: Bucks, Montgomery, Chester, Delaware and Philadelphia Counties, Pennsylvania, and Camden County, New Jersey.

Boston Area: Essex, Middlesex, Suffolk, Norfolk, and Worcester Counties, Mass., the town of Mansfield, Mass., that portion of Plymouth County lying north of the continuation of the southern boundary of Norfolk County, Mass.; Rockingham and Strafford Counties, New Hampshire; York and Cumberland Counties, Maine.

Southeast New York Area: Orange, Ulster, Sullivan, Putnam and Dutchess Counties, New York.

Southern New Jersey Area: Atlantic, Cape May, Gloucester, Salem, Cumberland and Burlington Counties, New Jersey.

LICENSE AGREEMENT.

This agreement executed in duplicate this 11 day of April, 1927, by and between the United States Gypsum Company, an Illinois corporation of Chicago, Illinois, (hereinafter referred to as "Licensor") and Texas Cement Plaster Co., a Texas corporation, of Oklahoma City, Oklahoma, (hereinafter referred to as "Licensee") witnesseth:

Whereas, Licensor is the owner of the entire right, title and interest in, to and under Letters Patent of the United States, Number 1,029,328, dated June 11, 1912, and Number 1,034,746, dated August 6th, 1912, (hereinafter called the "Utzman Patents"), and is also the owner of the entire right, title and interest in, to and under the Letters Patent and Applications for Letters Patent of the United States set forth in Exhibit A attached hereto and made a part hereof, and any and all Letters Patent which may be granted therefor or thereupon; and

Whereas, heretofore said Utzman patents have been adjudicated by the United States District Court for the Northern District of Illinois, Eastern Division, and by the United States Circuit Court of Appeals for the Seventh Circuit (258 Fed. 647; 270 Fed. 542; 290 Fed. 798; 290 Fed. 800; see also 263 U. S. 713), and said courts have decreed that said Utzman patents are valid and were infringed by the defendants in the cases so reported, and in the decision of the said District Court rendered on or about July 21, 1925, and not yet reported, by reason of the making, using and selling of plaster board or gypsum wallboard having protected edges, and said District

Court has ordered perpetual injunctions and 11404 countings against said defendants; and

Whereas Licensee recognizes and admits the validity and scope of said Utzman Patents; and

Whereas Licensee has equipped its plant with machines for the manufacture of plaster board and gypsum wallboard embodying the inventions set forth in said patents and applications for letters patent, and Licensor has threatened to prosecute Licensee for patent infringement in case it shall manufacture and sell any of said

product and Licensee is desirous of avoiding litigation and of obtaining a license to use the processes and make and use the machines and/or inventions set forth and claimed in said Utzman patents and in all of said patents or applications for letters patent described in said Exhibit A; and

Whereas Licensee has offered to pay a royalty for said license of five per cent (5%) of the selling price of Licensee of said patented product until August 6, 1929, the date of the expiration of said Utzman Patent number 1,034,746, and thereafter of one and one-half per cent (1½%) of the selling price of said patented product from August 6, 1929 until February 10, 1937, the date of the expiration of said patent number 1,330,413; and

Whereas Licensor has refused to accept said offer and has been unwilling to grant such a license except upon the express condition that Licensee will manufacture said plaster board or gypsum wallboard only with a folded or protected edge similar to that manufactured by Licensor, so that Licensor may be protected in its own business of manufacturing and selling said patented product and realize to the fullest extent the benefits under said patents from the manufacture by Licensee; and

Whereas Licensor has agreed to waive the express condition aforesaid and grant the said license in consideration of the agreement of Licensee to pay to 11405 it for the license to use the processes and make and use the machines and/or inventions set forth and claimed in all of said patents and applications for letters patent, an amount monthly equivalent to five per cent (5%) of the selling price of Licensee of all plaster board or gypsum wall board of every kind manufactured and sold by it during each calendar month between the date hereof and August 6, 1929, the date of the expiration of said Utzman Patene number 1,034,746, and thereafter an amount monthly equivalent to one and one-half per cent (1½%) of such selling price during each calendar month from August 6, 1929 until February 10, 1937, the date of the expiration of said patent number 1,330,413, and upon the terms and conditions as hereinafter set forth;

Now, therefore, in consideration of the sum of One Dollar (\$1.00) and other good and valuable considerations,

the receipt whereof is hereby acknowledged, the parties hereto do hereby agree as follows, to-wit:

1. Licensor has agreed to and does hereby give and grant unto Licensee, an indivisible and non-exclusive right, license and privilege of using the processes, and making and using the machines and/or inventions set forth and claimed in said Utzman Patents, and in any and all of said patents or applications for letters patent described in said Exhibit A, at the plant or factory now owned and/or operated by Licensee at Hamlin, Texas, and of manufacturing at said plant or factory and selling and/or using plaster board or gypsum wallboard manufactured at said plant or factory and embodying the inventions and improvements set forth and claimed in said Utzman Patents and said patents and applications for letters patent described in Exhibit A, until the 10th day of February, 1937, the date of expiration of patent number 1,330,413, mentioned in said Exhibit A.

It is expressly agreed and understood that the indivisible and non-exclusive right, license and privilege aforesaid is granted upon condition that the Licensor shall have, and it hereby reserves the right to determine and fix at any time, and to change from time to time during the term of said Utzman patent number 1,034,746 the minimum price or prices (not more, however, than the then prevailing market price or prices) at which the Licensee shall sell any plaster board or gypsum wallboard manufactured by Licensee embodying the improvements set forth and claimed in said Utzman Patent number 1,034,746, and in case it shall exercise the right so reserved it shall first serve written notice of its intention so to do upon Licensee, accompanied with a statement of the price or prices at which the Licensee shall sell said patented product, and thereafter shall give to the Licensee written or telegraphic notice of any change in such price or prices, and the Licensee expressly covenants and agrees that it will not at any time during the term of said Utzman Patent number 1,034,746, after the receipt of such notice, directly or indirectly sell or offer for sale, any plaster board or gypsum wallboard embodying the improvements set forth and claimed in said Utzman Patent number 1,034,746 at a price or prices less than that stated by the Licensor in said notice, or in any such written or telegraphic notice of a change

in such price or prices. It is expressly understood and agreed that this provision of the said license shall apply only to the said Utzman Patent number 1,034,746, and shall not apply to any of said other Letters Patent.

2. The Licensee further agrees to pay to the Licensor for said right, license and privilege of manufacturing, using and/or selling plaster board or gypsum wallboard, and for said privilege of using the processes and making and using the machines and/or inventions, embodying the inventions and improvements set forth and claimed in said Utzman patents and in any and all of said patents and applications for letters patent described in Exhibit A, an amount equivalent to five per cent (5%) of the selling price of the Licensee, of all plaster board or gypsum wallboard of every kind, manufactured and sold by Licensee between the date hereof and August 6, 1929, the date of the expiration of said Utzman 11407 Patent number 1,034,746, and thereafter an amount equivalent to one and one-half per cent (1½%) of the selling price of the Licensee, of all such plaster board or gypsum wallboard, from August 6, 1929 until February 10, 1937, the date of the expiration of said patent number 1,330,413.

3. It is expressly understood and agreed that the said License shall be personal to the Licensee and that the same or any right therein or thereunder shall not be sold, assigned or transferred without the written consent of the Licensor or transferred by operation of law, except that the same may be assigned to any successor or subsidiary corporation of Licensee, and except that in the event of the appointment of a receiver or receivers for the purpose of conserving the business and assets of Licensee, such receiver or receivers shall succeed to all of Licensee's rights under said license and under this agreement. Notwithstanding anything to the contrary herein contained, it is expressly understood that this license shall not be assigned to any other gypsum company manufacturing and/or selling plaster board or gypsum wallboard, nor shall the same in any way apply to any such company or to any of the plants or factories theretofore owned or operated by any such company, in case of a merger or consolidation between such companies, or any of them, and the Licensee, or an acquisition of the assets and business of Licensee, or any part thereof, by any

such company, or of any such company by said Licensee, nor shall any such merger, consolidation or acquisition affect any claim which Licensor has against any such other company for infringement of its said patents.

4. Licensee agrees to keep separate, full and accurate books of account and records showing the exact quantity of all plaster board and gypsum wallboard manufactured and sold by it, and agrees that on or before the 20th day of each and every calendar month it will render unto Licensor true written returns, verified under oath by an officer or other agent of Licensee, setting forth the quantity of all plaster board and gypsum wallboard manufactured and sold by it during the preceding 11408 calendar month, together with the price or prices at which the same was sold, such written returns to be delivered to Licensor at its office in Chicago, Illinois, and Licensee agrees to pay to Licensor, on or before the 20th day of each calendar month, at the office of Licensor at Chicago, Illinois, the hereinbefore stipulated royalties or license fees which may then be due under this agreement on account of all of said plaster board and gypsum wallboard manufactured and sold by it during the next preceding calendar month.

5. Licensor, or its duly authorized representative, shall have the right at all reasonable times during business hours to inspect the books of account and records of Licensee referred to in the next preceding paragraph hereof, including all records of every kind showing the quantity of said plaster board and gypsum wallboard manufactured and sold by it, the price or prices at which the same was sold, and to make copies thereof and memoranda therefrom.

6. Licensee agrees that all plaster board or gypsum wallboard manufactured and sold by it embodying the claims of any of said patents shall be distinctly marked with the word "PATENTED", together with the dates of the Utzman patents, and the dates of any other patents which Licensor may properly specify, and in connection with the said markings it will further mark said patented product with the words, "Licensed under the above Letters Patent," which markings shall be plainly visible.

7. Having regard for the fact that there are or may be certain manufacturers of plaster or gypsum products; or jobbers of such products, who do not or may not manu-

facture gypsum wallboard or gypsum plaster board but who desire or may desire to have gypsum wallboard or plaster board manufactured for them, it is understood and agreed that Licensee may manufacture gypsum wallboard 11409 or plaster board embodying the inventions and improvements set forth and claimed in said Letters Patent, for any such other manufacturer, and/or jobber; provided, however, that the said license fee or royalty to be paid to Licensor as hereinbefore provided shall be based upon all gypsum wallboard or plaster board manufactured for, and sold and invoiced to, such other manufacturer and/or jobber and upon the regular selling price of Licensee of such plaster board or gypsum wallboard to its regular dealer trade at the time of such sale and invoice, and shall not be based upon the price at which plaster board or gypsum wallboard is sold and invoiced by Licensee to such other manufacturer or jobber.

8. Licensee expressly covenants and agrees that all of said patented product sold by it and commonly known in the trade as "seconds" shall be plainly invoiced as seconds and shall be plainly marked with a visible red stamp or label firmly fixed on each of said boards showing the word "seconds" in letters at least three inches in height.

9. It is understood and agreed that the patented product manufactured and sold hereunder by Licensee shall include all board having a protected edge, it being recognized by the parties hereto that any board manufactured by Licensee having a protected edge is within the scope of said Utzman Patents number 1,029,328 and 1,034,746.

After the expiration of said Letters Patent number 1,034,746 and until the expiration of Letters Patent number 1,330,413, it is expressly understood and agreed that the patented product manufactured and sold hereunder shall include all board having a protected edge, the parties hereto agreeing hereby that any and all board having a protected edge is within the claims or is manufactured according to the processes or by the use of machines 11410 embodying the claims either of said Letters Patent number 1,330,413, or of one or more of the other said Letters Patent listed in Exhibit A hereto, under which the aforesaid indivisible and non-exclusive right, license and privilege is granted.

10. As one of the considerations for the indivisible and non-exclusive license herein and hereby granted, Licensee hereby acknowledges only until February 10, 1937, the date of the expiration of the said Letters Patent number 1,330,413, the validity of the aforesaid Utzman patents and all of the said Letters Patent, granted and to be granted on applications for patents specified in Exhibit A, and only in so far as each and every of said Letters Patent relate to plaster board and/or gypsum wallboard, and agrees that it will not at any time prior to February 10, 1937, the date of the expiration of said Letters Patent number 1,330,413, whether before or after the termination of this license, in so far only as they relate to plaster board and/or gypsum wallboard, directly or indirectly, by itself, through or together with another or others, contest the validity of either or any of said Letters Patent or the title thereto of Licensor, or question in any way the prima facie scope of either or any of said Letters Patent; but it is expressly understood that the Licensee shall have full right to contest the priority, novelty or patentability of the subject matter of any and all of the claims of the applications for letters patent specified in Exhibit A in accordance with customary patent office procedure to the same extent as though this agreement had never been entered into.

11. In the event that Licensee shall at any time neglect, fail or refuse to keep or perform any of the conditions and agreements hereinafter in this paragraph specified 11411 to be by Licensee kept and performed, then Licensor, at its election, may serve upon Licensee notice of intention to terminate the license herein granted, which notice shall specify the alleged neglect, failure or refusal; and if Licensee, within thirty (30) days from the date of the delivery of said notice, shall not have paid to Licensor the license fees or royalties then due and payable in accordance with the terms hereof if specified in said notice; or within such thirty (30) day period shall not have made and kept the books of account and records hereinbefore mentioned if specified in said notice; or within such thirty (30) day period shall not have permitted Licensor to examine said books of account and records as hereinbefore provided if specified in said notice; or within thirty (30) days after receipt of such notice shall not have marked said plaster board or gypsum wallboard manufactured by it sub-

sequent to the receipt of such notice "Patented", with the dates of the patents, or marked or invoiced the same as "seconds", as hereinbefore provided if specified in said notice; or shall, after the receipt of such notice, fail in good faith to comply with the conditions contained in paragraph 1 hereof, in the sale of plaster board and/or gypsum wall-board embodying the improvements set forth and claimed in said Utzman Patent number 1,034,746, in case Licensor shall exercise the right therein reserved by it, if specified in said notice, then in either of such events the said license and all rights acquired by Licensee hereunder shall be and become cancelled and terminated without the necessity of any court action; provided, however, that Licensee shall not be relieved thereby from paying to Licensor any license fees or royalties accrued hereunder at the time of such termination; and provided further that should a difference of opinion arise at any time under this agreement between the

parties hereto as to the validity of the grounds for
 11412 any default that may be specified in said notice, the Licensor shall in such case not be privileged to declare a default hereunder on account of any such alleged default specified in said notice with respect to which a difference of opinion has arisen as aforesaid, until and unless the same has first been settled by arbitration as hereinafter provided. In such case of a difference of opinion, Licensee shall, within said thirty (30) day period, first state in writing to Licensor wherein and in what respect such difference of opinion shall consist and shall at the same time appoint in writing one person as an arbitrator and the Licensor shall thereupon appoint another person as an arbitrator and in case the two persons so appointed shall not agree, within thirty (30) days after such appointment, upon the difference of opinion which shall have arisen, then the two persons so appointed shall appoint a third person, and the decision of a majority of the three arbitrators so appointed shall constitute a final settlement of the said difference of opinion and be binding upon both the Licensor and the Licensee; provided, further, that in case the difference of opinion above mentioned shall constitute a difference of opinion as to the amount of the royalties or license fees to be paid hereunder then the Licensee shall first pay or offer to pay the amount of such license fees or royalties which it then admits is due and payable in accordance with the terms hereof and the acceptance thereof by the Licensor shall not waive its rights in the controversy with respect

thereto. Upon the determination of the said dispute by the said arbitrators as aforesaid, then if the Licensee shall fail or refuse to comply with the terms of the award or finding made by the said arbitrators within thirty (30) days from the date of such award or finding, in the event such award

or finding is against the Licensee, then the Licensors
11413 may at its election terminate and cancel this license.

In the event of default hereunder by the Licensee and notice of such default is served on Licensee by Licensors, as herein provided, and after service of such notice Licensee shall cure such default as herein provided, the same shall constitute a nullification of the said notice by the Licensors as though the same had not been served. In case at any time Licensee shall commit any act of bankruptcy then the license hereunder shall immediately be and become cancelled and terminated, but Licensors shall not thereby be prevented from collecting all license fees or royalties accrued hereunder at the time of such termination. Failure on the part of Licensors to notify Licensee of a breach of this license contract as aforesaid or to terminate said license because of such breach shall not constitute a waiver of Licensors' right to terminate said license at a later time in accordance with the provisions of this paragraph. Licensors may specifically enforce this contract or any of the terms, conditions and covenants hereof, by injunction or in such other manner as may be provided by law,

12. Any notice to be given under the terms hereof may be served upon the Licensee by mailing the same to the Licensee, postage prepaid, addressed to it at its last known principal office, and the deposit of any such notice in the United States mails, postage prepaid, and so addressed, shall constitute service of said notice upon the Licensee.

13. It is understood and agreed that if at any time during the term hereof the Licensee shall, in the judgment of the Licensors, suffer substantial detriment by reason of any infringement upon the part of any person or persons of the said patents, whether now or hereafter issued, under which this license is granted, the Licensors will afford the Licensee

such reasonable protection as in the judgment of the

11414 Licensors shall be necessary or proper; and in case the Licensors shall grant to any infringer, or to any other person, any license under said patents upon terms more favorable than those granted hereunder to this Licensee, then it will grant to this Licensee a license on the same terms.

14. The terms "plaster board" and "gypsum wallboard" wherever used in this agreement, shall be understood to mean plaster board and gypsum wallboard of every kind having the structural characteristics of plaster board or gypsum wallboard, as now commercially recognized, and with fibrous or paper covering on or adjacent to both sides, but the terms shall not be construed to mean precast slabs manufactured from gypsum mixtures that are more than one and one-half ($1\frac{1}{2}$) inches in thickness and which do not have a protected edge either in whole or in part.

15. This license and all of the covenants and agreements hereof shall be binding upon and inure to the benefit of the successors and assigns of the parties hereto, but nothing in this paragraph shall be construed to permit an assignment hereof by the Licensee except as hereinabove specifically provided.

In Witness Whereof, the parties hereto have caused these presents to be signed by their respective Presidents, attested by their respective Secretaries, and their corporate seals to be hereunto affixed, in duplicate, the day and year first above written.

UNITED STATES GYPSUM COMPANY

By S. L. AVERY,

Its President.

ATTEST:

R. G. BEAR,

Secretary.

TEXAS CEMENT PLASTER CO.,

By S. M. GLOYD,

Its President.

ATTEST:

T. W. MCGOHEEN,

Secretary.

11415 a

EXHIBIT "A"

Utzman patent No. 1,330,413. Application filed September 3, 1918, granted February 10, 1920, expires February 10, 1937.

Birdsey patent No. 1,358,508. Application filed January 2, 1920, granted November 9, 1920, expires November 9, 1937.

Utzman patent No. 1,383,249. Application filed August 13, 1918, granted June 28, 1921, expires June 28, 1938.

Birdsey patent No. 1,383,254. Application filed July 29, 1918, granted June 28, 1921, expires June 28, 1938.

Birdsey patent No. 1,383,255. Application filed January 2, 1920, granted June 28, 1921, expires June 28, 1938.

Birdsey patent No. 1,384,298. Application filed August 19, 1920, granted July 12, 1921, expires July 12, 1938.

Birdsey patent No. 1,395,031. Application filed January 2, 1920, granted October 25, 1921, expires October 25, 1938.

Birdsey patent No. 1,395,032. Application filed January 2, 1920, granted October 25, 1921, expires October 25, 1938.

Birdsey patent No. 1,406,967. Application filed January 3, 1921, granted February 21, 1922, expires February 21, 1939.

Birdsey patent No. 1,427,939. Application filed January 3, 1921, granted September 5, 1922, expires September 5, 1939.

Birdsey patent No. 1,428,624. Application filed January 2, 1920, granted September 12, 1922, expires September 12, 1939.

Brookby patent No. 1,489,693. Application filed September 25, 1922, granted April 8, 1924, expires April 8, 1941.

Birdsey patent No. 1,514,827. Application filed October 6, 1921, granted November 11, 1924, expires November 11, 1941.

Birdsey patent No. 1,515,380. Original application filed January 2, 1920, granted November 11, 1924, expires November 11, 1941.

Birdsey patent No. 1,518,243. Application filed September 22, 1922, granted December 9, 1924, expires December 9, 1941.

11416 Birdsey patent No. 1,525,715. Application filed January 2, 1920, granted February 10, 1925, expires February 10, 1942.

Birdsey patent No. 1,526,307. Application filed October 10, 1921, granted February 10, 1925, expires February 10, 1942.

Utzman patent No. 1,540,045. Application filed March 14, 1923, granted June 2, 1925, expires June 2, 1942.

Birdsey patent No. 1,558,459. Application filed October 4, 1922, granted October 27, 1925, expires October 27, 1942.

Birdsey patent No. 1,561,635. Application filed January 3, 1921, granted November 17, 1925, expires November 17, 1942.

Birdsey application Serial No. 437,062, filed January 13, 1921.

Birdsey application Serial No. 506,676, filed October 10, 1921.

Birdsey application Serial No. 545,231, filed March 20, 1922.

Birdsey application Serial No. 555,627, filed April 19, 1922.

Birdsey application Serial No. 583,795, filed August 23, 1922.

Moore application Serial No. 590,356, filed September 25, 1922.

Knode application Serial No. 590,358, filed September 25, 1922.

Birdsey application Serial No. 605,896, filed December 9, 1922.

Smith application Serial No. 662,359, filed September 12, 1923.

Birdsey application Serial No. 737,237, filed September 12, 1924.

Utzman application Serial No. 750,224, filed November 17, 1924.

Birdsey application Serial No. 754,927, filed December 10, 1924.

Brookby application Serial No. 50,538, filed August 17, 1925.

11417 Birdsey application Serial No. 57,507, filed September 21, 1925.

Brookby & Absmeier application Serial No. 91,297, filed March 1, 1926.

Armstrong patent No. 1,278,821. Application filed January 4, 1918, granted September 17, 1918, expires September 17, 1935.

Armstrong patent No. 1,348,387. Application filed March 15, 1919, granted August 3, 1920, expires August 3, 1937; application for reissue filed June 3, 1922, Serial 565,737.

Armstrong patent No. 1,367,292. Application filed July 12, 1919, granted February 1, 1921, expires February 1, 1938; application for reissue filed June 9, 1922, Serial 567,205.

Utzman patent No. 1,455,127. Application filed June 14, 1922, granted May 15, 1923, expires May 15, 1940.

Utzman patent No. 1,492,588. Application filed June 14, 1922, granted May 6, 1924, expires May 6, 1941.

Williams patent No. 1,519,180. Application filed August 18, 1922, granted December 16, 1924, expires December 16, 1941.

Armstrong patent No. 1,556,575. Application filed October 1, 1921, granted October 13, 1925, expires October 13, 1942.

Armstrong patent No. 1,399,455. Application filed February 24, 1920, granted December 6, 1921, expires December 6, 1938.

Tyler patent No. 1,417,117. Application filed November 15, 1919, granted May 23, 1922, expires May 23, 1939.

Armstrong application Serial No. 310,470, filed July 12, 1919.

Utzman application Serial No. 374,833, filed April 19, 1920.

Armstrong application Serial No. 377,421, filed April 29, 1920.

Speer application Serial No. 427,044, filed November 29, 1920.

Speer application Serial No. 427,045, filed November 29, 1920.

Mehlhope application Serial No. 473,288, filed May 28, 1921.

11418 Utzman application Serial No. 477,371, filed June 14, 1921.

Kohler application Serial No. 482,073, filed July 2, 1921.

Gustafson application Serial No. 509,366, filed December 2, 1919, renewed October 21, 1921.

Kohler, et al., application Serial No. 540,412, filed March 2, 1922.

Armstrong application Serial No. 565,737, filed June 3, 1922.

Armstrong application Serial No. 567,205, filed June 9, 1922.

Utzman application Serial No. 581,361, filed August 12, 1922.

Utzman application Serial No. 581,362, filed August 12, 1922.

Williams application Serial No. 582,606, filed August 18, 1922.

Tonning application Serial No. 590,221, filed September 25, 1922.

Armstrong application Serial No. 596,983, filed October 26, 1922.

Speer application Serial No. 610,739, filed January 5, 1923.

Rehm application Serial No. 8,654, filed February 12, 1925.

Rehm application Serial No. 8,655, filed February 12, 1925.

Rehm application Serial No. 8,656, filed February 12, 1925.

Rehm application Serial No. 8,657, filed February 12, 1925.

Rehm application Serial No. 23,775, filed April 17, 1925.

11419

Government's Exhibit No. 601

NEWELL & SPENCER & SAFFORD
ATTORNEYS AND COUNSELORS AT LAW
Graybar Building
420 Lexington Avenue
NEW YORK

MARCH 4, 1936.

CERTAIN-TEED PRODUCTS CORP.
Beaver & Military Roads
Buffalo, N. Y.

Re: Perforated Gypsum Lath

Att. Mr. H. H. Van Hagan
and Mr. G. A. Hoggatt

GENTLEMEN:—

We have Mr. Van Hagan's letter of February 26 enclosing memorandum from report on meeting of the board licensees held in New York on February 20 and Mr. Hoggatt's letter of February 29 recounting his conferences with Dr. L. S. Wells and Dr. Emley of the Bureau of Standards regarding the tests described in Bureau of Standards' Technologic Paper #70. Since receiving these letters we have reviewed our files relating to the Roos patent #1,938,354 including the opinion which we addressed to Mr. Straub on December 27, 1933.

I am still of the opinion that the Roos patent is completely invalid. It is a patent for empirical formulae and empirical formulae are ordinarily not patentable since they are within the ordinary skill of any competent research man in the particular art in which the work is done. As I said in my opinion of December 27, 1933, given the Rader patent cited in the file history of the Roos patent and the problem

of making a practical commercial perforated plasterboard for the purpose of keying the plaster to the board, with the fire-resistance problem also put up to the plaster-
 11420 board and plaster man, any one of them would reach practically the same result as Roos reached.

At the time this opinion was given we did not have before us the history of the practical work that had been done along this line in California. Apparently also the Bureau of Standards, when it made certain tests around about February, 1933, did not know that the California perforated plasterboard had been on the market for a number of years, since in their Technical News Bulletin No. 190 they made the statement "Although perforated plasterboard had been used experimentally as early as 1915 (Bureau of Standards' Technologic Paper #70) it had not become commercially available until within the past year."

Since we gave our opinion of December 27, 1933, there has been a tendency in the courts, the Supreme Court included, to raise the standards of invention, that is, to require a much higher degree of ingenuity and originality in anything which is to be held to constitute an invention. As a result of this tendency, orders have been issued in the Patent Office to stiffen up on examinations so that I doubt if now this Roos patent could get through the Patent Office in its present form, if at all.

I think the entire patent could be completely ignored with perfect confidence in the outcome of any litigation involving it. It might be expensive to do so, because patent litigation is necessarily expensive, and it might be unwise to do so from the standpoint of commercial policy since the patent might be useful, if acquiesced in, for stabilizing the manufacture and sale of plasterboard lath coming within its terms.

11421 In any event, you can safely ignore altogether the first three claims of the patent, which are completely functional and do not define anything that could be said to come definitely within their terms. I think undoubtedly that with the right consistency of plaster the plasterboard shown in the Makowski Patent 1,349,778, granted August 17, 1920, on an application filed September 7, 1917, would completely anticipate these three functional claims. Moreover, it is to be noted that this Makowski patent is not limited to any particular size of hole or thickness of board and that persons

making the Makowski wall board are entitled to use any size hole that they desire to. In the drawings of the Makowski application as filed the holes shown were apparently about one inch in their smallest diameter since they appear as one-half inch holes in the printed patent. The drawings of an application are reduced to one-quarter size when printing the patent, that is, each dimension of the drawing is reduced one-half.

When considering, if you wish to consider, avoiding the Roos patent by using dimensions other than defined in the claims of the Roos patent or by using dimensions such as were in public use long before the Roos patent and such as are illustrated in the sample of plasterboard received from the West Coast which we have here, you have to consider also avoiding the Makowski patent which still has somewhat over a year to run. This patent expires August 17, 1937.

Claim 1, for example, of the Makowski patent reads as follows:

11422 "1. A process of manufacturing wall board comprising flowing a core of plastic material between reinforcing sheets of fiber, allowing the same to stand until dry, and then punching holes through the completed board."

There are seven claims in the Makowski patent, some of the others of which you might also infringe if you approximated the Makowski construction.

U. S. Gypsum tries to get away from the Makowski patent by boring the holes instead of punching them. Their file wrapper shows that they had in the original application claims to the process of making the board as well as claims to the article. When they cancelled the process or method claims which covered the stacking of the lath and simultaneously drilling a plurality of perforations completely through the bundle, among other things, they stated in the remarks accompanying the amendment cancelling the claims that "a divisional application will be filed covering the subject-matter thereof". We are not advised at present as to whether such an application has matured into a patent, or not.

I would suggest that if you wish to avoid the patent that you make up some experimental board and give it the necessary tests to determine how important the particular dimen-

sions recited in the claims of the Roos patent are since apparently after August of next year the field will be pretty wide open for making a perforated plasterboard if, in fact, it is not already wide open in view of the Rader and other earlier patents. It may be, of course, that U. S. Gypsum and its licensees will try to get the claims of the Roos patent written into the specifications of the fire prevention codes of various cities and thus practically force you either
11423 to use these particular dimensions or fight the patent. If this is to be prevented, someone will have to demonstrate that their talk about the importance of these particular relationships, size of hole and spacing of holes is more or less "hot air" and that other factors such as nature and consistency of the plaster, etc. may make other hole sizes and hole spacings just as effective for slowing up fires.

It seems to me that it might be wise to have a round table conference on this whole situation so that we may know a little more definitely just what you want to do; whether to play along with U. S. Gypsum, defy their patent, or avoid it so that we may be in a better position to give you definite advice.

Very truly yours,

H. DORSEY SPENCER

HDS:GN

11424

Government's Exhibit No. 602

NEWELL & SPENCER & SAFFORD
ATTORNEYS AND COUNSELORS AT LAW
Graybar Building
420 Lexington Avenue
NEW YORK

DECEMBER 27, 1933.

MR. S. C. STRAUB
Certain-teed Products Corp.
100 East 42nd Street
New York, N. Y.

Re: U. S. Gypsum Co. Patent 1,938,354, Roos,
Granted Dec. 5, 1933; Application filed
Mar. 15, 1933.

DEAR MR. STRAUB:—

We have obtained and examined the file history of the above patent and find that the only recorded actions by the Patent Office in the case were a requirement for division and an affirmation of the requirement for division and the notice of allowance. The principal work on the case was done at oral interviews with the examiner.

The case as filed contained 24 claims, of which claims 21 to 24 inclusive were claims to the method of producing the perforations or the perforated plasterboard. The requirement for division was between the method claims and the article claims which are now in the patent. The claims of the patent are the article claims originally filed, with very slight amendments, claim 7, however, having been rewritten and considerably amplified.

When making the requirement for division the examiner cited 6 patents, as follows:

228,939	Rogers	907,876	Rader
767,362	Phillips	1,123,304	Jester
694,111	Schratwieser	1,569,947	Buttress

11425 Of these six patents, two related to the method, and four related to perforated lath boards, the most pertinent being the patent to Rader 907,876, which we have already discussed as a result of the search that was made

sometime ago, and the patent to Buttress 1,569,947, January 19, 1926. The patent to Rader shows an ordinary plasterboard with straight perforations through it for keying the plaster to the plasterboard. The patent to Buttress also shows a plasterboard with perforations through it for keying the plaster to the plasterboard, the Buttress perforations, however, being countersunk on each side so that, as set forth in the claim, the openings are "formed of two frusto-conical co-axial holes having their smallest diameter near the center of the board."

I do not believe that the entire Roos patent discloses a single thing that rises to the dignity of invention but it is a patent that has a tremendous nuisance value. Given the Rader patent and the problem of making a practical commercial perforated plasterboard for the purpose of keying the plaster to the board, I haven't the slightest doubt that any practical plasterboard and plaster man would have reached substantially the same solution of the problem as reached by Roos and would have considered it a part of his technical work, not a problem requiring the exercise of inventive ingenuity. There is always a gamble, however, in trying to get this fact across to the ordinary federal district judge who, before he goes on the bench, has had no contact with patent law, and therefore, as I said above, the patent has a tremendous nuisance value and there is a remote chance that some district judge, impressed by 11426 the commercial demand for this type of board which may be created as a result of new building codes, might sustain the patent, and that a Circuit Court of Appeals, equally impressed, might affirm his decision and thus give the U. S. Gypsum Company an undeserved adjudication of a patent based upon a mere routine solution of an ordinary technical problem.

The Roos patent is based upon an alleged discovery that, to make a practical commercial perforated plasterboard lath, a newly discovered relationship between the thickness of the board, the diameter of the perforation and the area of unperforated material between any four perforations marking the four corners of a square must be utilized. This relationship is defined in various ways in the claims and in the first three claims it is defined functionally. In other words, there is no definite relationship set forth.

For example, claim 1 calls for a wall construction which includes a perforated plasterboard lath and plaster coating

on the face of the lath and extending into and through the perforations. It then goes on to say that the perforations extend completely through the lath and are of such size and spacing that they are completely filled with portions of the plaster in the normal acts of applying the plaster and that the plaster goes through and forms keys which protrude beyond and engage with the inner face of the board, the size of each key and the area of plaster supported thereby, that is, the area on the other face of the board, being co-related to retard calcination of the keys considerably beyond the calcination of the plaster coating when the construction is subjected to continued high temperature. The

claim further defines the area supported by the keys 11427 as sufficiently large to provide spaced rows of uniformly positioned perforations and defines the rows as being positioned to avoid the supporting members, that is, the studding spaced at standard distances, when the boards are supported thereon in normal adjacent aligned or staggered relation. The claim also defines the perforations as being of a number and distribution not materially to weaken the board in any direction.

I cannot conceive of a claim that defines a perforated plasterboard lath construction that would be reached by any practical plasterboard man making such a construction for the market any better than this claim does. In other words, I do not believe that there is the slightest trace of invention set forth in the claim and yet the Patent Office has allowed it, the patent is presumptively valid, it is held by a large and aggressive organization that it would therefore be a very costly matter to make exactly what is shown in the patent.

The weakness of the prior art as shown in the patents listed in the file is that the Rader patent was solicited by one of the poorest firms of advertising solicitors that ever existed, a firm that has fortunately now gone out of existence, and it seems quite probable that what they have shown and described was probably not what Miss or Mrs. Rader invented. I note that she was living, at the time the application was filed, at Upper Monclair, N. J. If still living, it would seem to be advisable to get into touch with her and find out what she actually made and whether or not it was ever used.

The patent to Buttress was solicited by an attorney in

California whom I know and it seems quite probable
 11428 that from Buttress or his attorney something might
 be learned as to the use of perforated plasterboard
 lath. The Buttress patent shows some of the perforations
 coming over the studs. This, of course, in Buttress was not
 objectionable because Buttress has a lock by reason of his
 countersunk holes. Buttress does show the plaster going
 through the perforated board and forming a key on the
 back side and shows a relationship of the size of the holes
 to the thickness of the board that is the practical equivalent
 of that shown in the Roos patent. The Buttress patent,
 however, shows what I would estimate to be a considerably
 larger number of holes and necessarily closer together.

As a practical board, of course, Buttress' board is more
 costly to manufacture because of the countersinking of the
 holes on both faces. Rader, however, shows a perfectly
 straight smooth hole. In this connection, I might add that
 in dividing out claims 21 to 24 inclusive, a statement was
 made that a divisional application was made to cover the
 process. I assume that this has been done.

The Roos process of making the holes consists essentially
 of drilling the lath in the bundle by means of twist drills
 that have the usual outline cutting lips on the sides in order
 to make a smooth cut through the paper before the drill
 proper hits the plasterboard.

Certain-teed's problem as I see it, if they do not care to
 pay tribute to the U. S. Gypsum Company, is to let its
 practical plasterboard and plaster man study this Roos
 patent to see how much of it is pure hot air. It seems prob-
 able that there are other relationships besides those defined
 in the claims of this patent that will produce practical re-
 sults. Certain of the claims are related specifically
 11429 to and practically solely to the arrangement of the
 perforations to dodge the studding. I do not believe
 that these claims could be sustained, this being such an ob-
 vious thing to do when it is desired that the plaster go
 through the perforation and form a key on the back face
 of the lath.

I would suggest that you send the enclosed copy of the
 Roos patent to Mr. Van Hagen or someone equally con-
 versant with problems of this sort and then ask him to
 come in and talk to us as to whether or not the conditions
 set forth in the patent are essential from a practical com-
 mercial viewpoint.

In connection with the claims, certain of them contain a definition that is evidently based on an erroneous mathematical computation. For example, claim 6 says "said perforations having a diameter of approximately twice the thickness of the lath and symmetrically spaced to provide an area between any four adjacent perforations in the same lath and between any two perforations of an adjacent lath and any two of the same lath of approximately 36 times the cross-sectional area of the perforations."

In the specification it is stated that the perforations are $\frac{3}{4}$ ths of an inch in diameter and that they are spaced on the board 4" from the center of one perforation to the center of the next. This would give an area of 16 square inches between the centers of any four perforations constituting the four corners of a square. There would be deducted from this area to give the area of the solid board between the perforations, a quarter of a perforation on each corner making a whole perforation altogether, which would have to be subtracted from the 16 square inches to give the area of the solid material. This would, 11430 therefore, give an area to perforation ratio of 35 to 1 instead of 36 to 1.

The error, however, is probably not important in view of the fact that the proper spacing has been fully set forth in the specification.

Very truly yours,

H. DORSEY SPENCER

HDS:GN
Encl.

6312

11431

Government's Exhibit No. 603

TEXAS CEMENT PLASTER COMPANY
FIRST NATIONAL BUILDING
OKLAHOMA CITY, OKLA.

MARCH 16, 1939

THE UNITED STATES GYPSUM CO.,
Chicago, Illinois.

Attention: Mr. F. Sadler.

DEAR MR. SADLER:

Referring to your price bulletin applying on Metallized Gypsum Board, effective March 1, 1937, wish you would advise me the mill price applying to points in the State of Missouri. I am of the opinion that this State should be included under Item 1 of this price list, but would like to have this confirmed by you.

Also want to call your attention to the fact that a dealer at Warrensburg, Missouri, states he has been quoted a price of \$26.43 on Metallized Lath for delivery to that point and it has been necessary for me to meet such price.

We would like to have the above information for future reference.

Yours very truly,

TEXAS CEMENT PLASTER CO.

By H. E. CHISM

HEC:MK

11432

Government's Exhibit No. 604

UNITED STATES GYPSUM COMPANY
300 West Adams Street
CHICAGO

OCTOBER 21, 1937

MR. A. R. MOYLAN, *Vice President*
Schumacher Wallboard Corporation
5721 South San Pedro Street
Los Angeles, California

DEAR MR. MOYLAN:

In line with our conversation, I attach two estimate sheets, one covering the cost of the equipment required to make lightweight foam board, and the other sheet giving the formula from which you can figure the savings per thousand feet by use of our system.

You will note the estimate for equipment is greater than the figure we discussed when I was in your office. In giving the figure I did at the time, I assumed that you would have some of this equipment now in use in your plant. If you have such equipment available, the expense will be substantially reduced. This feature of the installation can be gone into thoroughly by our engineer in the event you conclude to sign a license.

This estimate does not include the removal of present equipment, changes in bins, conveyors, floor levels, etc., as we have no information on which to base such calculations. Our engineer will, however, be able to give you a close figure before the work is started, after he has had an opportunity to study conditions surrounding the wet end of your machine.

We know nothing about your present power consumption on the wet end of your machine. Our system calls for two motors, the demand on one varies between $7\frac{1}{2}$ and 20 and averages 15 HP at the maximum. The demand on the other varies between 5 and 15 and averages about 9. If this is more power than you are using, you can charge the difference against this system and deduct it from the estimated savings.

On the second estimate sheet we have taken such information as we have available regarding the wet end of your board machine and set up the present and proposed weights.

We have estimated your cost of stucco which you can correct to the exact figure.

We have shown a charge of five cents a thousand for labor preparing the foam and starch mixtures which you may not require, in fact it is possible we may be able to reduce the number of men employed around the wet end of the machine by two or three men per shift.

11433 The freight savings we have taken at the figure discussed in your office. This you will, of course, change to the figure you find correct from your experience. The royalty of 2% shown is correct but we may not have used your correct net f.o.b. mill price. We have also deducted from the estimated savings the royalties for perforating and bundling. These charges obviously apply only to the products that are bundled or perforated.

The estimates attached show a substantial saving after deducting the royalties chargeable at the present time. You will recall I stated that these royalties under the main license decline to 1% on July 7, 1941.

As to the mixers which we propose furnishing. These mixers are the product of years of study by the company and large expenditures for engineering and experimental work. The mixers are patented and we do not sell them to anyone but lease them with a license covering their use. The annual rental for these mixers is \$375 a year which, on the basis of an annual production of 37,500,000 feet, amounts to a charge of one cent per thousand.

It is my belief that the installation of this equipment will bring other savings which we cannot estimate without knowing more about your operation. When you reach the point where you are ready to actively consider taking the license, we will be willing to send our engineer to make exact estimates of cost for the installation and more complete estimates of the savings that are possible through the adoption of this system.

I trust this gives you the information you want. If it does not, please do not hesitate to ask for what additional information you require.

Very truly yours,

UNITED STATES GYPSUM COMPANY

O. M. KNODE

President

10-13-37

Estimated cost reduction obtainable by Schumacher
Wallboard Company through adoption of U.S.G. Light-
weight Board process

	Board Thickness		
	1/4"	5/16"	3/8"
Present Weight-#/M sq.ft.	1390#	1620#	1850#
Proposed	1090	1270	1450
Actual Reduction	300	350	400
Stucco Saved	255	297	342
Value of Stucco @ \$10.00/ton	\$1.27	\$1.48	\$1.71
Foam Cost			
Starch	\$.45	\$.575	\$.65
Soap	.075	.0875	.10
Labor	.05	.05	.05
Total Foam Cost	\$0.575	\$.7125	\$0.80
Savings in Cost of Core- per M sq.ft.	\$0.695	\$.7675	\$0.910
Freight Savings @ .15 per 100#	0.450	0.525	0.600
Total Gross Savings per M sq.ft.	\$1.145	\$1.292	\$1.510
Wallboard			
Total Gross Savings per M sq.ft.	1.145	1.292	1.510
Less Mixer Rent 375.00/year estimated at 1¢/M sq.ft.	.01	.01	.01
Less Royalty on Patents 2% f.o.b. Price	1.135	1.282	1.500
	.450	—	.50
Net Saving if Unbundled	.685		1.00
Less Bundling Royalty 10¢/M	.10		.10
Net Savings-Bundled	.585		.90
Lath			
Total Gross Savings per M sq.ft.		1.292	1.510
Less Mixer Rent 375.00/year estimated at 1¢/M sq.ft.		.01	.01
		1.282	1.500
Less Royalty on Patents 2% f.o.b. Price		.29	.365
Net Savings if Unbundled		.992	1.135
Less Bundling Royalty 10¢/M sq.ft.		.10	.10
Net Saving-Bundled		.892	1.035
Less Perforating Royalty, 10¢/M sq.ft.		.10	.10
Net Savings-Bundled and Perforated		.792	.935

6316

11435

Estimate Sheet

SCHUMACHER WALLBOARD COMPANY

10-13-37

1. Mixer Installation

Equipment—

Mixers

Not Sold

Cleveland Speed Reducer

\$325

Texrope Drive (2 required)

160

Bearings

35

Transmission Support

50

20 H.P. Vertical Motor—for primary mixer

300

15 H.P. Motor for Secondary Mixer

350

Estimated Equipment Cost

1220

Freight

250

Total delivered materials

1470

Labor

300

Total installed Cost

\$1770

2. Foam Equipment

Equipment—

2—450 gal. Starch Tanks—Complete with
1 H.P. Motor, Vertical reducer and
agitator @ 319

\$638

1—225 gal. Soap tank—Complete with
1 H.P. motor, reducer and agitator.

299

1—Gas Fired Cooking tank, complete with
agitator, drive, burner, etc.

500

1—Francis Glue Mixer

315

1—Soap Solution Feeder

225

1—Starch Solution Feeder

300

Chain, Sprockets, Coupling, etc. for
feeder drive.

50

1—Gearhead motor for feeder drive

75

1—Foam Equalizer

75

1—Vertical Motor for Foam Generator

122

Piping, Valves, etc.

300

Freight

2903

150

Labor

3053

350

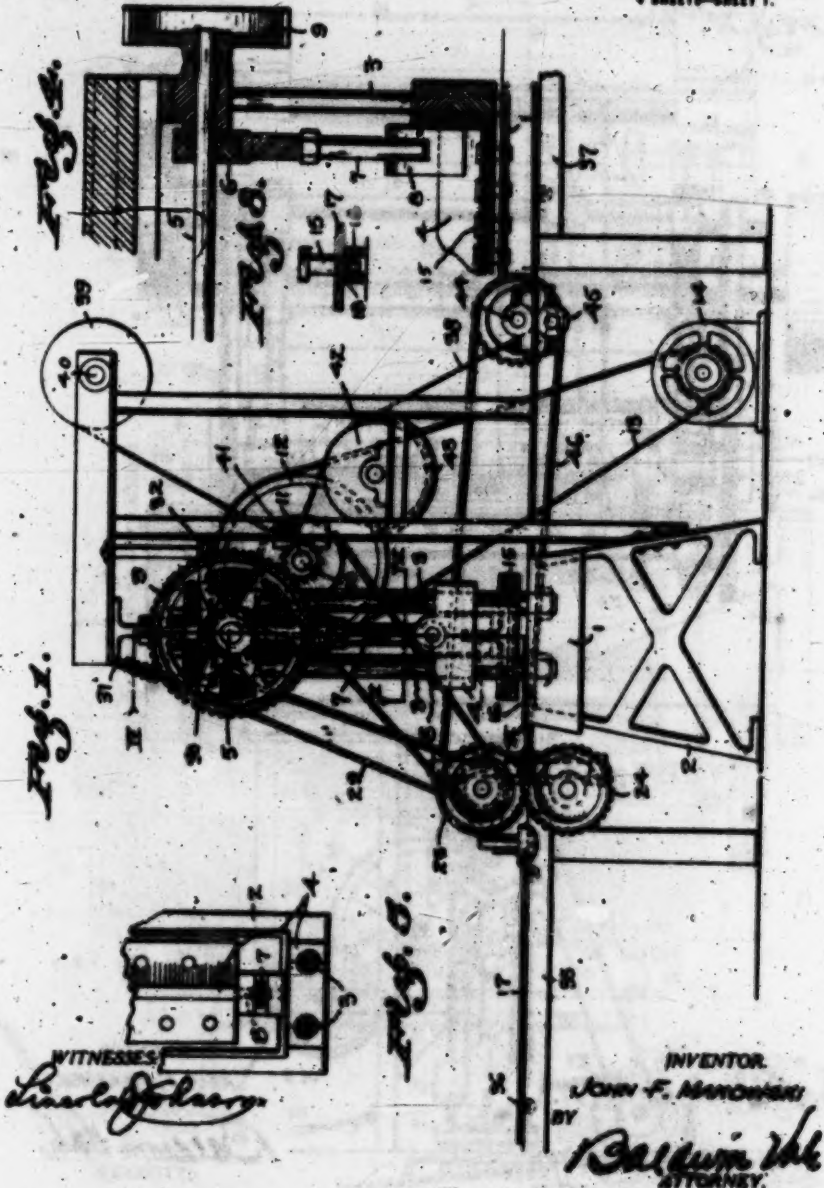
Total Installed Cost

\$3353

J. F. MAKOWSKI.
WALL BOARD AND PROCESS OF MANUFACTURING THE SAME.
APPLICATION FILED SEPT. 7, 1917. RENEWED DEC. 29, 1919.

1,349,778.

Patented Aug. 17, 1920.
4 SHEETS—SHEET 1.



WITNESSES
Lincoln Johnson

INVENTOR
JOHN F. MAKOWSKI
BY *Barclay H. Mc*
ATTORNEY.

6318

746095 10073

J. F. MAKOWSKI.

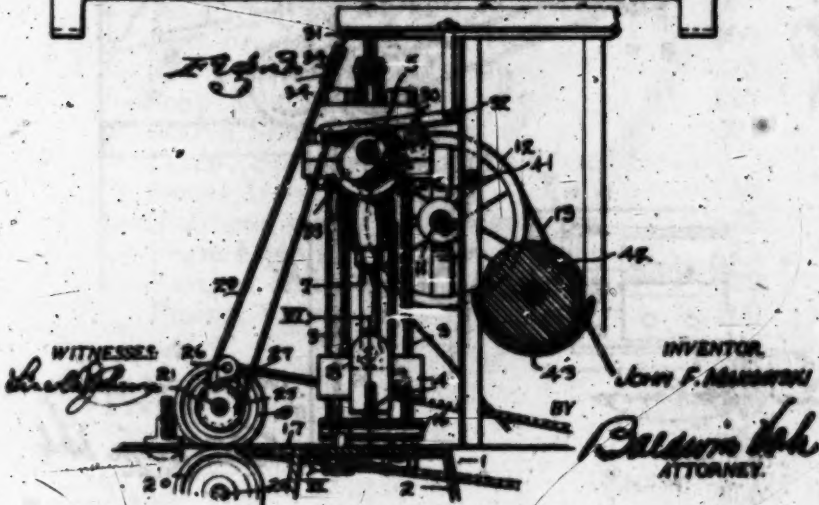
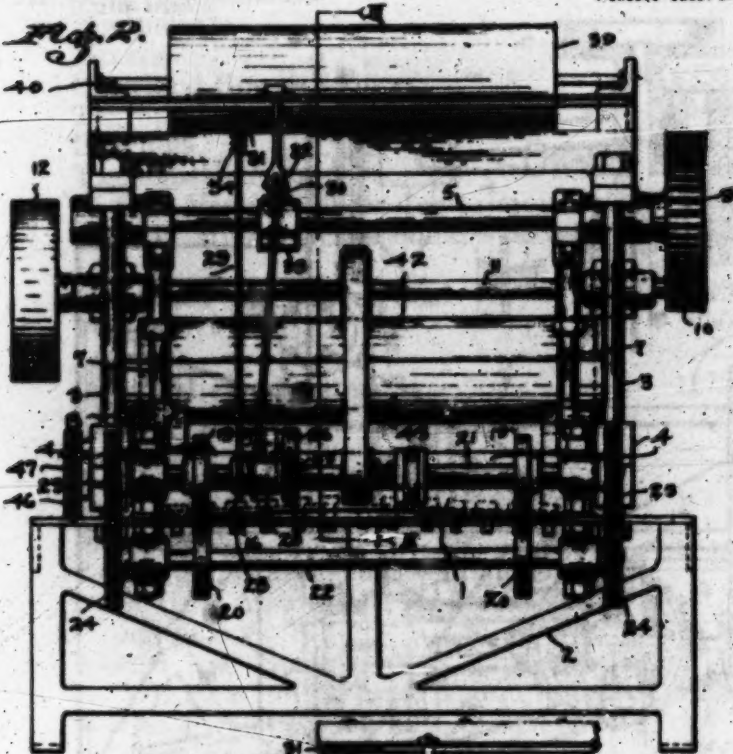
WALL BOARD AND PROCESS OF MANUFACTURING THE SAME.

APPLICATION FILED SEPT. 7, 1917. RENEWED DEC. 29, 1919.

1,349,778.

Patented Aug. 17, 1920.

4 SHEETS—SHEET 2.



J. F. MAKOWSKI.

WALL BOARD AND PROCESS OF MANUFACTURING THE SAME.

APPLICATION FILED SEPT. 7, 1917. RENEWED DEC. 20, 1919.

1,849,778.

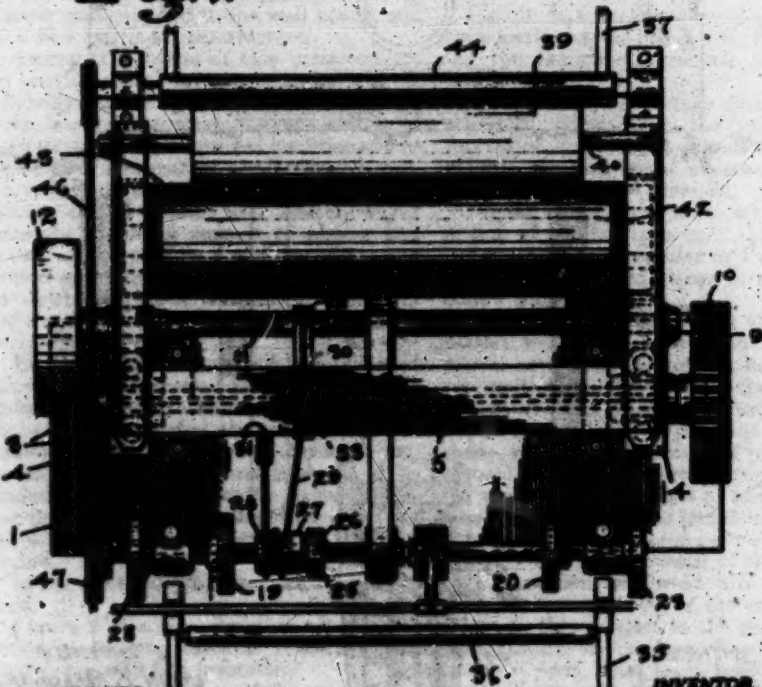
Patented Aug. 17, 1920.

SHEET 2—SHEET 2.

Fig. 6.



Fig. 7.



WITNESSES
Charles J. [Signature]

INVENTOR
 J. F. MAKOWSKI

BY *Rollin V. [Signature]*
 ATTORNEY.

746095 10075

6320

J. F. MAKOWSKI.

WALL BOARD AND PROCESS OF MANUFACTURING THE SAME.

APPLICATION FILED SEPT. 7, 1917. RENEWED DEC. 29, 1919.

1,349,778.

Patented Aug. 17, 1920.

4 SHEETS-SHEET 4.

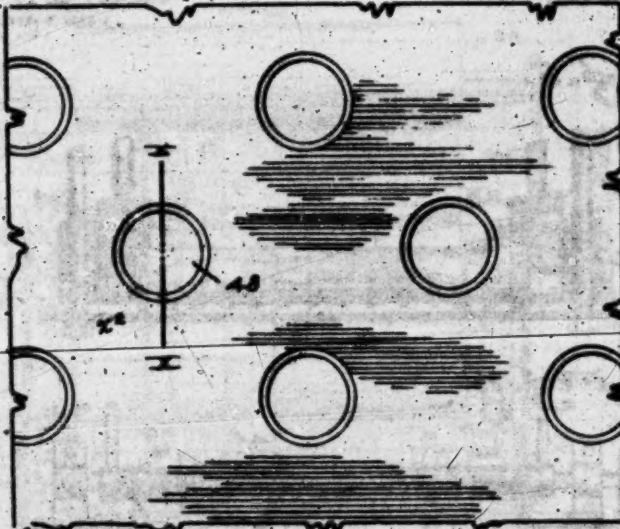


Fig. 9.

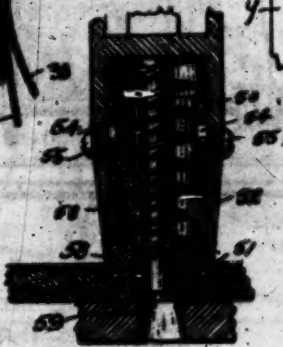
Fig. 13.



Fig. 10.

Fig. 11.

Fig. 12.



WITNESSES

Charles Johnson

INVENTOR

JOHN F. MAKOWSKI

BY

Barclay V. Veli
ATTORNEY.

UNITED STATES PATENT OFFICE.

JOHN F. MAKOWSKI, OF SAN FRANCISCO, CALIFORNIA, ASSIGNOR OF ONE-HALF TO
JAMES A. LEVERSHALER, OF SAN FRANCISCO, CALIFORNIA.

WALL-BOARD AND PROCESS OF MANUFACTURING THE SAME.

1,340,778.

Specification of Letters Patent. Patented Aug. 17, 1920.

Application filed September 7, 1917, Serial No. 135,121. Renewed December 20, 1919. Serial No. 343,064.

To all whom it may concern:

Be it known that I, JOHN F. MAKOWSKI, a citizen of the United States, and a resident of the city and county of San Francisco, State of California, have made a new and useful improvement in Wall-Boards and Processes of Manufacturing the Same; and I do hereby declare the following to be a full, clear, concise, and exact description of the same.

The invention relates to a new and useful art particularly to means for perforating stable or dry wall board; and to the process of forming holes or recesses therein adapted to act as key holes for bonding finishing plaster coats applied to the wall board, and to a new article of manufacture.

Among the objects of this invention are to provide means for economically and effectively processing a wall board of the nature described, to produce a new article of manufacture with improved qualities and at greatly reduced cost of production; to produce a wall board to which the finishing plaster can be applied and securely layed with the minimum amount of plaster and waste, and to produce a wall board fire and water proof on the side opposite to that to which the plaster is applied. Other objects and advantages will appear as the description progresses.

In this specification and the annexed drawings, the invention is illustrated in the form considered to be the best, but it is to be understood that the invention is not limited to such form because it may be embodied in other forms, and it is also to be understood that in and by the claims following the description, it is desired to cover the invention in whatever form it may be embodied.

In the accompanying four sheets of drawings:

Figure 1 is a side elevation of an automatic perforating machine constructed in accordance with this invention.

Fig. 2 is a front view of the same.

Fig. 3 is a side elevation detail in cross-section of the perforating mechanism on the line III—III of Fig. 2.

Fig. 4 is a fragmentary enlarged detail of one side of the machine illustrating the punch operating mechanism in cross-section on the line IV—IV, Fig. 1.

Fig. 5 is a plan view from above of the same taken on the line V—V, Fig. 1.

Fig. 6 is a front elevation of the punching mechanism in cross-section on the line VI—VI, Fig. 3.

Fig. 7 is a plan view from above of the perforating machine taken from Fig. 1.

Fig. 8 is an enlarged fragmentary detail of the counter-sinking punch and die for forming the perforations in the wall board, Sheet 1.

Fig. 9 is a plan view of a fragmentary section of plaster board constructed and perforated in accordance with this invention.

Fig. 10 is a fragmentary detail view in cross section on the line X—X, Fig. 9, showing the laminated structure of the wall board.

Fig. 11 is a fragmentary detail diagrammatically illustrating the integral key formed on the coating of plaster when applied to the wall board as it would remain were the wall board removed.

Fig. 12 is a fragmentary detail in cross section of a hollow punch.

Fig. 13 is detail similar to Fig. 10, illustrating the form of recess formed by the hollow punch.

Broadly stated, the process of producing plaster wall board consists in flowing the plastic core composed of gypsum or other compositions in the unstable state, between two reinforcing sheets of prepared pulp paper, then rolling or pressing it into flat sheets, resulting in a core X of plaster faced on both sides by the sheets of paper X'—X", the whole forming a sheet of uniform thickness throughout, that is trimmed to size and permitted to set or season before being marketed. Other forms consist of slabs of plastic composition reinforced with fibrous and other matter. Because of the unstable condition to this product in the process of its manufacture, it has been found impracticable to form holes in it because the unstable plastic core would crack and destroy the marketability or practicality of the product. I am aware, however, that wall boards of different composition have been formed with perforations or holes there-through, such holes being uniform in cross-section and having parallel sides.

In the process of forming plaster wall

boards in accordance with this invention, the dry or stabilized board is passed through a machine wherein it is punched, the punched portion being removed entirely from the board, as will be hereinafter more fully described.

In detail the construction illustrated in the drawings consists of an automatic punching machine, adaptable to processing wall board, in accordance with this invention, having a bed 1 supported upon a suitable base 2, to which the upright sides 3-3 are bolted on opposite sides of the bed. The reciprocating breast beam 4 engages these guides 3 and is guided thereby in its vertical reciprocations. The cam shaft 5 is suitably journaled in bearings supported by the guides 3-3 and provided with the eccentrics 6 (see Fig. 4) engaged by the adjustable connecting rod 7 pivoted at 8 in the breast beam 4, whereby the rotation of the camshaft 5 causes the vertical reciprocation of the breast beam 4. The cam shaft is back-g geared through the gear 9 meshed with the driving pinion 10, fixed on the drive shaft 11, which is provided with a pulley 12 driven by the belt 13 engaging a pulley on the motor 14, the proper gearing being interposed between the motor and the cam shaft to give the necessary power and speed reduction. The breast beam 4 is provided with a series of aligned male punches 15, fixed therein and cooperating with the female dies 16, to perforate the plaster board 17 set therebetween. To reduce the applied power necessary to perforate the board, and to prevent possible transverse cracking thereof in the punching process, it is advisable to arrange the male punches so that they perforate the board *seriatim*; this is easily accomplished by progressively lengthening the punches from the center to the edge as is illustrated in Fig. 6 or vice versa, the length being varied from the cutting edge to the tapered shoulder at 18, so that these shoulders will all strike the board simultaneously. It is important that these shoulders all strike the board simultaneously to level the edges of the holes by compression, whereby the resultant holes are of greater diameter at one surface of the board than at the opposite side, for reasons that will hereinafter be described. Two rows of punches can be provided as illustrated in Fig. 8, arranged in off-set relation out of longitudinal alignment and placed a uniform distance apart, the board being fed forward the space of two rows of holes at each operation.

The intermittent feeding mechanism comprises the two traction rollers 19 and 20 between which the plaster board 17 is fed. These traction rollers are fixed upon their respective shafts 21-22 and are rotated in

unison by the gears 23-24. The shaft 21 is rotated by a ratchet 25 fixed thereon engaged by the pawl 26, pivoted on the arm 27 formed on the hub 28 rotatable on the shaft 21. The hub 28 is operated by the cable 29 wrapped therearound and having its opposite ends 30 fixed to the lever 30 and the frame of the machine at 31 respectively. The lever is pivoted at 32 and rests upon the cam 33 fixed on the shaft 5. The cam 33 is so timed that the rise of the punches out of the board, brings the cam under the lever, 30 which is raised thereby, which exerts a pull on the cable 29 to rotate the hub 28 which carries the ratchet 25 forward to rotate the traction wheels 19 and 20, pushing the board forward a distance equal to the distance between the transverse rows of holes. This distance may be accurately regulated by varying the position on the lever 30 at which the cable 29 is attached.

When the cam 33 has passed underneath the lever 30 the tension of the spring 34 returns the arm 27 to the operative position for the next operation, the ratchet 25 returning without engaging the ratchet.

The board 17 laid on the receiving table 35 is supported on the rollers 36 from which it is conveniently fed between the feed rollers 16 and 20 beneath the punching machine and ejected onto the delivery table 37.

In producing the type of board illustrated in Fig. 9 having the backing sheet 38 placed thereon, means are provided in connection with the punching machine to apply this sheet as the board passes through the machine. It is best accomplished by providing the sheet 38 in rolls as at 39, Fig. 1 and 2, mounted upon a cross shaft 40 suitably journaled in a superstructure on the machine. The sheet 38 is fed behind the roller 41, over the top of the roller 42 and carried down to contact with the top face of the board. The roller 42 is journaled in the trough 43 containing paste submerged the lower portion of the roller 42, by which means a coating of paste is transferred to the surface of the paper 38 tractively passing over the roller 42. Before reaching the delivery table 37, the board 17 passes between the compression rollers 44 and 45, geared together and driven by the sprocket chain 46 engaging a sprocket 47 on the shaft 51 of the feed roll 19, whereby these compression rolls operate in unison with the feed roll. In starting, the end of the paper 38 is carried down in front of the rolls 44 and 45 between which it is pushed by the approaching end of the board 17 on its travel through the machine. The roll 44 presses the paper 38 against the upper surface of the board 17 to which it is caused to adhere by the paste covering one side of the holes 48 to form recesses in the

wall boards, resulting in the product illustrated in Fig. 9.

It is the particular function of the paper 38 which has been previously water proofed to make the back side of the board impervious to moisture to prevent sweating and to prevent the emergence of the key formed by the applied coat of plaster protruding through the hole 48 in the board 17. Where it is desired to produce a plaster board having the advantages as set forth, plus the additional advantages of being fire-proof, the paper 38 can be treated with suitable fire-proofing solution, or it may be composed of asbestos or another non-inflammable material, by which means the plaster board having a non-inflammable back and a coating of non-inflammable plaster on the opposite side forms a fire proof wall or partition. So far as I am aware I am the first to produce such a wall in this manner.

To improve the keying qualities of the hole 48, they are countersunk by the tapered shoulder 18 on the male punches as previously described, producing a hole smaller in diameter on the plaster side of the board than on the back which is covered by the sheet 38. This results in forming a key integral with the plaster Y and taking the form Y' as illustrated in Fig. 11, the form of the hole forming a clench or rivet-like bond between the plaster Y and the wall board 17, in addition to the natural adhesion between the plaster and the surface of the wall board between the openings, the dove-tail shape of the key Y' insuring a mechanical bond in addition to its adhesion to the surrounding wall board. The countersinking of the holes has the further advantage that it can be made to fracture or shatter the adjacent plaster core to improve the keying qualities of the bond; particularly where small, straight, or inclined holes are punched. The punches may be of forms to punch holes of any desired shape and the holes may be variously spaced.

In Fig. 12 is illustrated a hollow punch 50 adapted to be forced into the wall board through the paper X' and the core X leaving the paper X' intact. The rise of the punch lifts the punching 51 out of the wall board. This punching 51 is ejected from the punch by the stripper 52 actuated by the expansion of the spring 53, the stripper being held in assembly by the slots 54 engaging the screws 55 in the punch 50; this form of punch forms a recess such as 56, see Fig. 13. If it is desired in addition to puncture the paper backing X' as at 57, the punch 50 can be combined with the punch 50 to cooperate with the die 58 to punch the hole 57, which permits the plaster coating to pass through the wall board and clench. This hollow type of punch is desirable when the wall board is to be treated in the

moist or semi-stable state as it comes from the machine within which it is fabricated.

While I have laid particular stress upon the advantages of punching wall board after it has set or dried, in which stable state it is more easily processed and produces a superior article for the purpose; I do not wish to be understood as limiting this invention thereby, as it can be punched during its various stages of production or curing with various results.

Having thus described this invention, what I claim and desire to secure by Letters Patent is:

1. A process of manufacturing wall board comprising flowing a core of plastic material between reinforcing sheets of paper, allowing the same to stand until dry, and then punching holes through the completed board.

2. A process of manufacturing wall board comprising flowing a core of plastic material between reinforcing sheets of paper, pressing the same into flat sheets, allowing said sheets to stand until dry, and then punching holes through the dry sheets.

3. A process of manufacturing wall board comprising flowing a core of plastic material between reinforcing sheets of paper, allowing the same to stand until dry, and then punching tapered holes through the dry board.

4. A process of manufacturing wall board comprising flowing a core of plastic material between reinforcing sheets of paper, allowing the same to stand until dry, then punching holes through the completed board, and enlarging said holes by compression.

5. A process of manufacturing wall board comprising flowing a core of plastic material between reinforcing sheets of paper, allowing the same to stand until dry, and then punching holes through the dry board in such manner as to shatter the substance of the board adjacent to the hole.

6. The process of treating dry wall board consisting in punching holes therethrough and covering one side of said holes to form a recess in said wall board.

7. An article of manufacture consisting of a sheet of wall board composed of a core of dry plaster between reinforcing sheets having holes punched therethrough while in the dry state, and a sheet of fire proof material applied to one side of said board after said punching operation.

In testimony whereof I have hereunto set my hand at San Francisco, California, this 7th day of August, 1917.

JOHN F. MAKOWSKI.

In the presence of—

BALDWIN VALD.

LEWIS V. JOHNSON.

6324

11444

UNIVERSAL GYPSUM & LIME CO.
CHICAGO, ILL.
111 WEST WASHINGTON STREET

JUNE 3, 1929.

PARAGON PLASTER COMPANY,
Syracuse, New York.

Attention: Mr. Emil Hansen.

Gentlemen:—

You will find enclosed copies of our General Sales Bulletins numbers three and four giving complete information on our new Board prices—also the policy to be followed in quoting prices to the dealer trade.

We believe the bulletins are self explanatory insofar as concerns method of arriving at delivered prices. However, please note particularly the policy to be followed in submitting prices. All prices must be quoted for immediate acceptance and for immediate shipment and subject of change without notice. Please make no price commitments or price guarantees beyond a period of immediate or rush delivery. Should any of your customers want you to accept future orders calling for shipments beyond immediate delivery, you may accept such orders only on the condition that the price will be subject to the price in effect when shipment moves.

On such orders as you send us for shipment to your dealer customers, we shall allow you the following rates of commission:

Gypsolite Wallboard	10%	Oakfield mill basing price.
Gypsolite Sheeting	10%	" " " "
Star Gypsum Wallboard	10%	" " " "
Universal Gypsum Lath, all sizes	7%	" " " "
Gypsum Wallboard, second or recuts	7%	" " " "

All shipments made to your warehouse in Syracuse will be invoiced to you at our regular dealer's price for Syracuse delivery, this for the reason that you do a retail business as well as a wholesale business out of Syracuse. Under the terms of our license agreement, we are not permitted to allow you any jobbing commission on retail sales, however, we are permitted and shall be glad to give you commissions per the above schedule on such wholesale business as you do out of your Syra-

11445

cuse warehouse. In order to secure commission on the wholesale business you do in Syracuse, it will be necessary for you to send us at the end of each month a statement of such wholesale deliveries, and in this statement show the date of the delivery, the dealer's name, address of dealer, grade of Broad delivered, and quantity. Your statement will have to be itemized in this manner for each delivery. There is a further condition in our license agreement which makes it necessary for us to be permitted to check your books or records on such wholesale deliveries from your Syracuse warehouse in the event such audit is necessary at any time.

We are today writing your other sales offices supplying them with price bulletins and the commission arrangement as above outlined.

If there is anything in the bulletins that is not entirely clear to you, will you please advise the writer here and he will be very glad indeed to explain anything not entirely clear to you.

Kindly continue to send your orders to our New York Office for handling with the plant the same as you have been doing in the past.

Yours very truly,

ABEL DAVIS AND EUGENE HOLLAND

RECEIVERS IN EQUITY FOR

UNIVERSAL GYPSUM & LIME CO.

W. G. STROMQUEST

Eastern Sales Manager.

WGS:HW

6326

11446 Government's Exhibit No. 609-A

Effective

5/22/29

Chicago

G.S.B. #3

GENERAL SALES BULLETIN Dealers Minimum #1 Board Prices

Grade	Thickness	Size of Sheets	Minimum Price Per M Sq. Ft.
Gypsolite Wallboard	3/8"	32" or 48" Wide 4' to 10' lengths	\$20.00
Gypsolite Sheathing	1/2"	4' x 8'-Only size we make	22.50
Star Gypsum Wallboard	3/8"	32" or 48" wide 4' to 10' lengths	17.50
Gypsum Wallboard (We do not make 1/4" Wallboard-Price for Information only)	1/4"	32" or 48" Wide 4' to 10' lengths	17.50
All Sizes			
Universal Gypsum Lath (Closed or open edge)	3/8"	Recuts or Cut Stock	13.50
		#1 Lath	
		*16 x 32	
		*16 x 48	
		32 x 36	
		32 x 48	
Universal Gypsum Lath (Closed or open edge)	1/2"	* Bundled	14.75
		Standard Sizes	
		16 x 32 Bundled	
		16 x 48	
		32 x 36 Unbundled	
		32 x 48	

Dealers Minimum Board Prices-Recuts and Seconds

Gypsum Wallboard-Seconds	3/8"	32" or 48" Wide	15.00
(Star or Gypsolite Grade-Folded Edge)		4' to 10' lengths	
# Gypsum Wallboard-Recuts		32" Wide-#1 Label	17.50
(Star or Gypsolite Grade-Open Edge)		4' to 10' lengths.	

When Wallboard Recuts are marked "Seconds" use Seconds basing price of \$15.00 per M.

Gypsolite Finisher

Packed in 5 lb. cartons—12 cartons to case—6¢ per lb. or \$3.60 per case. Packed in Bags—80 lb. paper bags only—2¢ per lb. Extra small paper bags included with bag finisher for dealers convenience. Always ship in case lots

if possible. Full printed directions for use printed on cartons. We recommend 10# finisher per M. sq. ft. of square edge board, 40 lb. per M. sq. ft. of Bevel Edge Board. Prices indicated are delivered whether shipped in cars with Board or other plaster products or by L C L shipment. We will no longer furnish Finisher gratis to any dealer. Prices must be made in accordance with above schedule.

No Exceptions Allowed

11447

Board Price Policy

In applying price shown on G.S.B. #3 dated 5/22/29, be governed by the following policy:

Prices listed are minimum mill basing prices and are F.O.B. following producing points:

Oakfield, N. Y.	Gypsum, Ohio	Ft. Dodge, Iowa	Acme, Texas
Plasterco, Va.	Grand Rapids, Mich.	Southard, Okla.	Sweetwater, Texas

Use lowest freight rate from above basing points to destination in figuring delivered price.

All board prices must be quoted F. O. B. destination freight allowed using the following weights at all basing points in determining freight per M Sq. Ft.

1/4" Board	—	1250 lbs. per M. Sq. Ft.
3/8" " "	—	1850 " " " " "
1/2" " "	—	2250 " " " " "

Please note prices given are our minimum prices. Under no condition are you to quote or accept business at less than these minimum prices.

All board prices are to be quoted for immediate acceptance and for immediate shipment, and to be subject to change without notice.

Make no price commitments or price guarantees beyond period of immediate or rush delivery.

You may accept Board orders for future shipment subject, however, to price in effect at time of shipment. A future order is one calling for delivery beyond immediate or rush shipment.

All special competitive conditions must be reported to Chicago office for decision. Make no promises or statements that will commit the Company before passing such reports to Chicago for consideration.

UNITED STATES DEPARTMENT OF COMMERCE
WASHINGTON

National Bureau of Standards

NDM:KW
III-6Report on Fire Endurance Tests of Partitions with
Facings of Plaster on Gypsum Lath

T. G. 3619-16; F. R. 1120

I. Purpose and Scope of Tests

Two fire endurance tests, Nos. 120 and 123, on load-bearing, wood-stud partitions faced with gypsum plaster on a perforated gypsum lath were made by the National Bureau of Standards in cooperation with the Schumacher Wall Board Corporation of Los Angeles, California. The gypsum laths for the two partitions were alike except for the spacing of the holes. The two gypsum plasters used differed widely in strength and time of set.

The partitions were 16 ft long and 10 ft 4 in. high. The top plates were bolted to the test frame and the bottom to the steel beam resting on hydraulic jacks. Spaces 1/2 in. in width were left between the ends of the partitions and the test frame. These spaces were lightly caulked on the fire exposed side with asbestos fiber.

The illustrations, fig 1, to 6, inclusive, show details of construction of the partitions and their appearance during and after the tests, the temperatures within the furnace, and within the partitions and on the unexposed surfaces. The principal results of the tests are given in table 1.

11449 Table 1. Summary of tests of wood-stud partitions faced with gypsum plaster on perforated gypsum lath for fire endurance under load.¹

Test No.	Age when tested	Fire exposure ²	Tests and results			Fire resistance rating of partition
			Limit as surface finish ³	Partition failure		
				Kind	Time	
		percent	min		min	
120	40	101	34	Load	50 1/2	Load bearing, 50 min., combustible
				Limiting temp. max. and avg	58	Non-load-bearing, 1 hour, combustible
123	30	100	32	Load	62	Load-bearing or non-load bearing, 1/2 hour, combustible
				Limiting temp. max	70	

¹ A load of 30550 lb was applied during the test until failure occurred.

² This value is the ratio of the area under the curve of average temperatures to the area under the standard reference curve expressed in percentage.

³ Limit or rating as surface finish as per par. 24 (c) of the Standard Fire Test Specification.

II. Materials, Design and Construction of Partitions

1. Materials

The materials for the partitions, except the perforated gypsum lath and the lot of gypsum plaster used for facing the partition for test No. 123, were from local dealers stocks.

(a) Lumber.—The framework of the partitions was of structural grade yellow pine. The trim was also of yellow pine.

(b) Lath.—The two lots of lath were alike in size and thickness, but the perforations differed. The boards were 16 3/16 by 48 in. by 3/8 in. thick.

11450 Table 2. Characteristics of perforated gypsum lath.

	Lot 1	Lot 2
Dimensions, inches	48x16-3/16x3/8	48x16-1/4x3/8
Weight, lb/ft ²	1.70	1.74
Number of 13/16 in. diameter holes	42	48
Percent of board area removed by holes	2.8	3.2
Breaking Load:		
Span:		
Lengthwise of board:		
Max	120	170
Min	105	130
Avg (5)	116	142
Crosswise of board:		
Max	52	58
Min	45	40
Avg (5)	48	53
Modulus of rupture: ¹		
Span:		
Lengthwise of board:		
Avg (5)	1444	1767
Crosswise of board:		
Avg (5)	597	660

¹ Modulus based on gross area although breaks were through holes.

(c) Sand.—Screened and washed Potomac River building sand was used for the sanded gypsum plaster.

(d) Plaster.—Properties of the two lots of sisal-fibered gypsum cement plaster, labeled, "Gold Bond", when tested in accordance with Federal Specification SS-P-401 were as follows:

Table 3. Properties of gypsum plaster.

Test	Lot 1	Lot 2
Consistency	52	44
Time of set, hr	18	5 1/4
Tensile strength, lb/in ² (Avg of 6)	175	465
Bags marked	2-J	5-N

11451 Table 4.—Strength of 2 in. cubes of 1:2 sanded plaster

Test partition No.	120	123
No. of cubes tested	3	7
Age when tested, days	60	31
Compressive strength, lb/in. ² :		
Max	790	1682
Min	710	1380
Avg.	750	1530

2. Design and construction

(a) Framework:—The framework of each partition consisted of 2 by 4 in. studs spaced 16 in. on centers and toe nailed to 2 by 4 in. plates top and bottom. The blocking at mid height of the studs stayed the studs laterally and served as fire stops.

(b) Lathing.—The lath was placed across, and bearing on four studs, with four 13 gage nails, 1 1/4 in. long by 5/16 in. heads, to each bearing. The end joints between lath were staggered from course to course. The edges of the lath were not spaced apart in the construction of partition No. 120 but were spaced about 1/8 in. apart in No. 123.

(c) Grounds.—The thickness of the plaster was gaged to 1/2 in. by metal base beads along the bottom of the partitions and by nails driven into the studs at mid height and near the top.

(d) Plastering.—The gypsum plaster was mixed with sand in the proportions 1 part plaster to 2 parts sand by weight of the dry materials. The weight of water required to make a workable mix was two-thirds that of the dry gypsum plaster.

The scratch and brown coats of plaster were applied by the "double up" method; that is, by applying the second coat within a few minutes after the scratch coat had been applied and before set had begun. Nails for gaging the thickness of the plaster were removed from the fire exposed side before the plaster was set. The thickness of the sanded plaster was 7/16 in. which together with the 1/16 in. thickness of white finish totaled 1/2 in. over the lath.

11452 (e) Trim.—Yellow pine base boards were applied to each face by nailing through the lath and plaster into the studs.

(f) Workmanship.—The workmanship was like that found in local building practice.

III. Methods of Testing

1. Specifications

The tests were conducted in accordance with the requirements of the Specifications for Fire Tests of Building Construction and Materials of the American Standards Association except that no fire and hose test was made, previous tests having proven the adequacy of this type of construction in this respect.

2. Testing Equipment

The large wall testing equipment of the National Bureau of Standards was used for the tests. This comprises a gas-fired furnace with suitable movable frames into which the walls are built and seasoned for test. The frames employed were each equipped with four hydraulic jacks bearing on a beam to impose the test load.

The furnace is equipped with pyrometers to measure the temperature at nine points within the furnace chamber, at six points within the partition, and under nine asbestos pads on the unexposed surface of the partition. Chromel-alumel thermocouples and portable type potentiometers were used for indicating temperatures in comparison with the temperature of melting ice.

Deflections of the partitions during test were observed by measurements from three wires stretched between the top and bottom members of the test frames, one opposite the vertical center line and one 4 ft. each side of the center line.

3. Procedure

Each wall with its test frame was placed to form one wall of the combustion chamber of the furnace. In each test the fires were controlled to give temperatures conforming as nearly as possible to the standard reference curve. Loads were applied previous to starting the test fires and maintained until failure occurred, after which the pressure in the jacks was released to prevent collapse of the partition.

The fires were continued for a time after the first criterion of failure had been observed in order to obtain information beyond this limit.

11453 IV. Results of Tests

1. Test No. 120

This was a fire endurance test of a fully loaded 5 1/2 in. thick wood-stud partition, 16 ft long by 10 1/3 ft high, faced on both sides with 1/2 in. of 1:2 sanded gypsum plaster on 3/8 in. thick perforated gypsum lath. The completed partition was seasoned 40 days before being subjected to the test. The load applied was 30,550 lb. The test was made on November 24, 1937, the fire being continued one hour.

(a) Furnace temperature.—The furnace fire gave an exposure as measured by the area under the curve of average temperature, F, (fig 2a) of 101 percent of that derived from the area under the standard reference curve. The dashed lines above and below curve F show maximum and minimum temperatures indicated by the nine thermocouples exposed to the furnace fire.

(b) Partition temperatures.—The average of the temperatures indicated by the three thermocouples between the lath and the studs on the fire-exposed side of the partition, at 2 ft from the top opposite points 10 to 15, fig 1, is shown by curve 1 (fig 2a), and the maximum of the three by curve 1 max. The temperatures within the spaces between the studs are similarly shown by curves 2 and 2 max.

The average of the surface temperatures measured under the nine asbestos pads on the unexposed surface, and the maximum of the nine are shown by curves P and P max of the same figure. Curve R shows the temperature of the test room.

(c) Deflections.—The partition deflected 3/16 in. towards the fire during the first five minutes of the test after which the movement was in the opposite direction, passing through its original position between 10 and 20 min after the start of the test. The average deflection of the three points at mid height was 0.4 in. at 40 min. and at 50 min 3.4 in. The deflections were increasing rapidly at 50 1/2 min and the gage indicated a 10 percent drop in pressure in the jacks. The pressure was then reduced from 123 to 15 lb and the test continued.

(d) Effects of test, fire exposed side.—No cracks were seen on either side before the partition was placed in front of the furnace for test.

11454 The first cracking on the exposed side was across a 1 1/2 ft diameter bulge just above the base near the mid point of length at 15 1/2 min.

This was followed soon by a vertical crack 3 ft long at 3 1/2 ft opposite pad 7, fig. 1. At 20 min a bulge in the plaster 2 ft in diameter was observed in the north corner almost opposite pad 3. At 22 min the plaster in the lower north corner opposite pad 9 was bulged outwards. Although the plaster surface was much bulged and broken over nearly the entire surface at 23 min none fell until 35 1/2 min and at 37 min above one square yard of the lath was exposed. At 40 min 4 sq ft of the lath fell exposing the pine studs to the fire, and at 43 1/2 min about 80 sq ft had fallen. The volume of flame in the furnace at 55 min prevented any estimate of the quantity of lath and plaster remaining, but it was probably of negligible quantity.

The furnace fire was stopped at 1 hr and the fire in the burning studs quenched after the panel and frame had been pulled away from the furnace. Fig 3 shows the condition of the portion of the test specimen remaining as viewed from the fire exposed side.

(e) Effects of test, unexposed side.—Several cracks were observed in the upper part of the partition at 5 min after the start of the test. These were all very narrow. Steam, first seen at 4 min after the start of the test, flowed in considerable volume from various cracks and all margins a 14 min. Steam flow diminished gradually after this until 33 min after which time it was not visible.

After 40 min cracks which had appeared early in the test began to open somewhat and more appeared until the partition had deflected so much at 50 1/2 min that cracks were quite numerous.

After removal of the load cracking proceeded somewhat less rapidly. The general condition of the surface at 57 min is shown by fig. 1. As soon as the fire was stopped and the partition removed from the furnace water was applied to quench the fires in the burning studs.

(f) Failure.—Failure of the partition to support the load of 30,550 lb occurred at 50 1/2 min.

The allowable limits of temperature rise, 325°F (181°C) at one point, and 250°F (139°C) as the average rise at nine points, were both reached at 58 min.

11455 The limit of fire resistance of the lath and plaster on one side of the partition as an incombustible finish over combustible construction (wood studs) was reached at 34 1/2 min.

(g) Condition after test.—Figures 1 and 3 show the condition of the partition after failure. Little strength remained after the fire was quenched but there were no breaks of sufficient size to permit the passage of flame and hot gases in quantity.

2. Test No. 123

This, also, was a fire endurance test of a fully loaded, 5 1/2 in. thick partition, 16 ft long by 10 1/2 ft high, faced on both sides with 1/2 in. of 1:2 sanded gypsum plaster on 3/8 in. thick perforated gypsum lath. The completed partition was seasoned 30 days before being subjected to the test. The load applied was 30,550 lb. The test was made on March 17, 1938.

(a) Furnace temperature.—The furnace fire exposure as measured under the curve of average temperature, F, (fig 2b) was 100 percent.

(b) Partition temperatures.—The average of the temperatures indicated by the three thermocouples between the lath on the fire exposed side and the studs is shown by curve 1 (fig 2b) and curve 1 max shows the maximum of the three. Curve 2 shows the average of temperatures in the spaces between the studs.

The average of the surface temperatures measured under the nine asbestos pads on the unexposed surface, and the maximum of the nine, are shown by curves P and P max of the same figure. Curve R shows the temperature of the test room.

(c) Deflections.—The partition deflected 0.3 in. towards the fire at its mid point in the first 5 min and at 10 min had returned to its original position after which the deflections were away from the fire, reaching 0.3 in. at 1 1/2 hr and 1.5 in. at 57 min. At 61 min, just previous to failure under load, the deflections at the mid points of height were 2.1, 2.4 and 2.1 in., for points 4, 5 and 6, respectively.

(d) Effects of test, fire exposed side.—The pine base board started flaming at 2 1/2 min after the start of the test.

The first crack in the plaster on the fire exposed side was seen at 23 min. This resulted from bulging of the plaster at the central part of the panel. The plaster keys were broken off over an area 5 ft long by 2 ft high permitting the expanding plaster to buckle out and crack.
11456 Other cracks were observed at 29 1/2 and 30 min.

At 35 min about one square yard of plaster fell from the buckled area noted first above and one minute later the lath broke from an area of about one square foot exposing two studs to the fire.

At 40 min a 4-ft long strip of plaster 1 ft wide pulled away from the lath along the south vertical edge of the panel. At 44 min another small area of plaster fell exposing the lath over a total area of about 1 1/4 sq yd. At this time the fall of several square yards of plaster appeared imminent. A small area of lath fell at 46 min and large volumes of flame from burning wood filled the upper half of the furnace.

A large area of plaster fell from the north end of the panel at 56 min and at 58 min all the plaster then remaining fell from the fire exposed face.

The studs began to buckle under load at 62 min and at 63 min the pump supplying oil to the jacks was stopped. The load was reduced and the screw jacks set to prevent tilting of the loading beam on the rocker bearings. The fire was continued until 73 min when the gas was shut off from the burners. The wood studs which had been fully exposed to the fire for 15 min continued to burn vigorously.

The burning studs were sprayed with water from a garden hose nozzle about 6 min after the gas was shut off and at 10 min after the panel and frame were withdrawn from the furnace.

(e) Effects of test, unexposed side.—In the period from 6 to 10 min after the start of the test four narrow cracks appeared in the unexposed surface, the first being a vertical one from mid-height to the top of the panel near the center line. Six additional cracks were observed in the period from 11 min to 60 min, none of which were large. Figure 5 shows

the condition of the unexposed surface after 1 hr exposure of the opposite side to fire.

Failure under load at 62 min caused outward deflection and several cracks. Figure 6 shows the condition of the panel at 77 1/2 min after the start of the test, or 4 1/2 min after the furnace fire was stopped.

(f) Failure.—Failure of the partition at 62 min came through its inability longer to sustain the imposed load while subjected to fire.

11457 The limiting rise of temperature of 325°F (131°C) at one point on the unexposed surface was observed at 70 min. The limiting rise of 250°F (139°C) as the average of the observed rises at nine points was not reached.

The limit of fire resistance of the lath and plaster on one side of the partition as an incombustible finish over combustible construction (wood studs) was 32 min.

(g) Condition after test.—The partition was subjected to the test fire for 11 min after failure under load had occurred, and was then sprayed on the fire exposed side with water from a garden hose nozzle. This treatment did not result in any breaks that would permit the passage of flame or gas in any considerable quantity. The test frame and partition were withdrawn from the furnace several minutes after the fire was stopped and further sprayed to quench fires continuing in the studs. Collapse of the remaining charred structure with the plaster facing occurred about 1 hr after the test had ended.

V. Summary of Tests

Reference is made to table 1 for a summary of the tests. The two partitions were substantially alike. The laths of lot 1 (test No. 120) were perforated with 42 holes 13/16 in. in diameter, each, and those of lot 2, with 48 holes of the same diameter. A more noteworthy difference apparently was the greater strength of the plaster used in the facings of test partition No. 123 than in No. 120.

The construction employed in test no. 120, that is, 2 by 4 in. yellow pine studs spaced 16 in. on centers, faced with gypsum lath, 48 by 16 by 3/8 in., and perforated with 42 holes of 13/16 in. diameter and 1/2 in. thickness of 1:2 sanded gypsum plaster of 750 lb/in.² compression strength.

as 2 in. cubes, has a fire resistance rating of 50 min., combustible, as a load-bearing partition, and as a non-load-bearing partition, 1 hour, combustible.

The construction employed in test No. 123, like that of test No. 120 except for the six additional holes in the laths and plaster of double the strength of that used in test No. 120, achieved a fire resistance rating of 1 hour, combustible either as a load-bearing or non-load-bearing partition. The requirements for the hose stream test for the tests reported herein are considered to have been met in test No. 65, report No. T. G. 3619-10; F. R. 788, dated February 18, 1937.

This report is submitted for your information and is not released for publication in whole or part for general use in connection with sales promotion. It is allowable, however, to cite the ratings given above as based on tests conducted according to the specifications referred to under Section III. 1 of this report.

Washington, D. C.

March 31, 1938.

L. J. Briggs

Lyman J. Briggs, Director

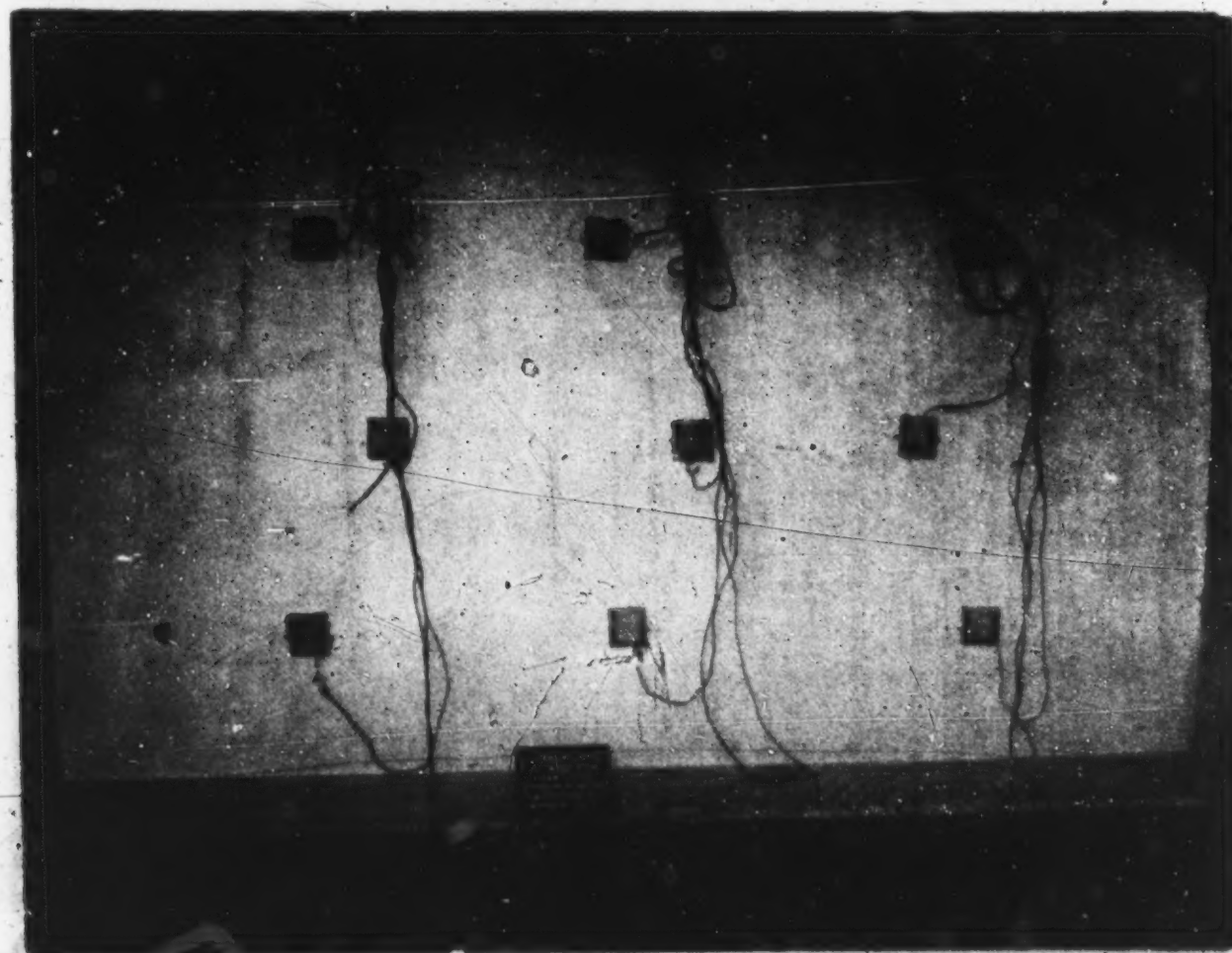


Fig. 1. Test No. 120. Damaged face of partition after 57 min. exposure of opposite face to fire.

6340

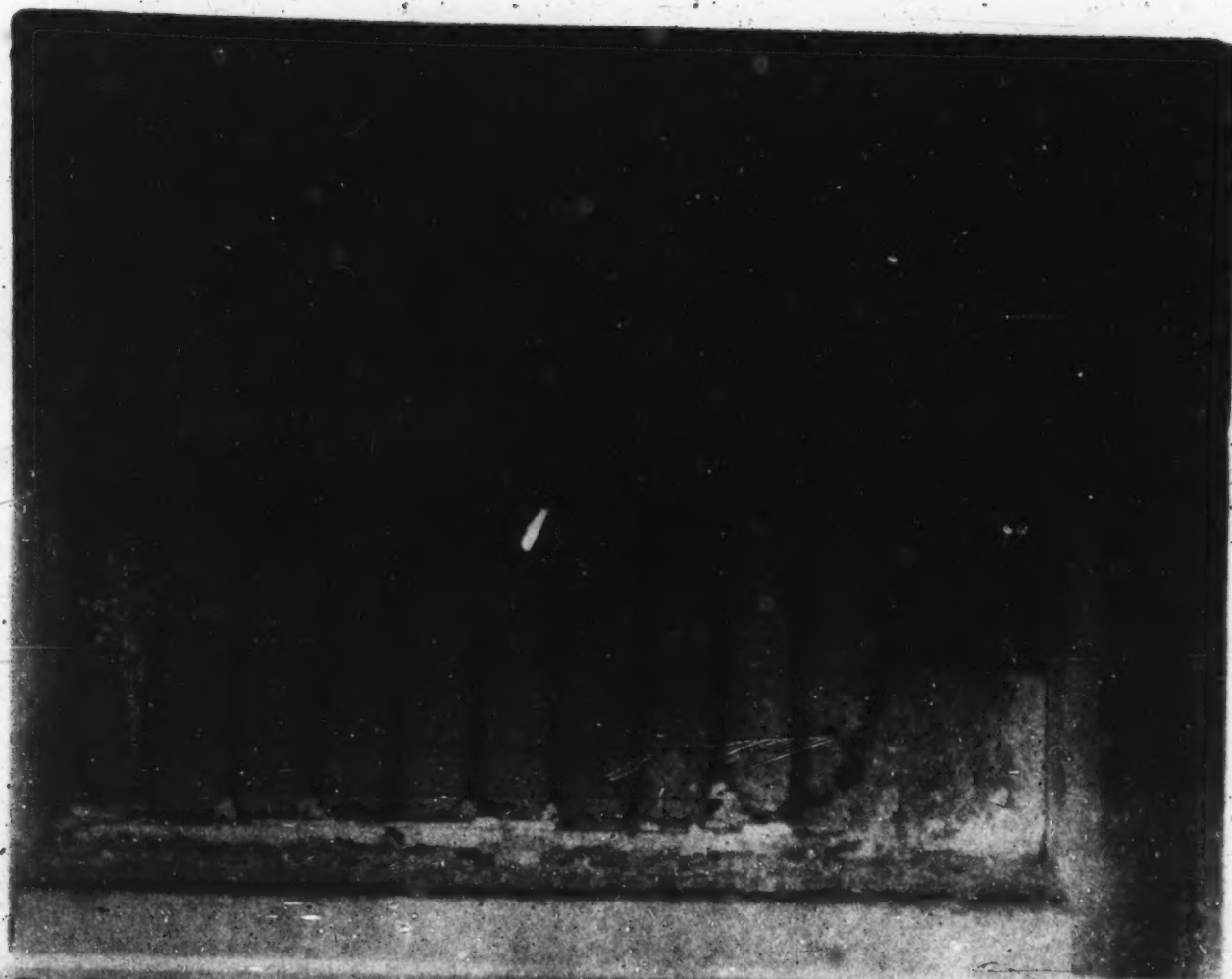


Fig. 1. Section of wall surface showing after test No. 120.

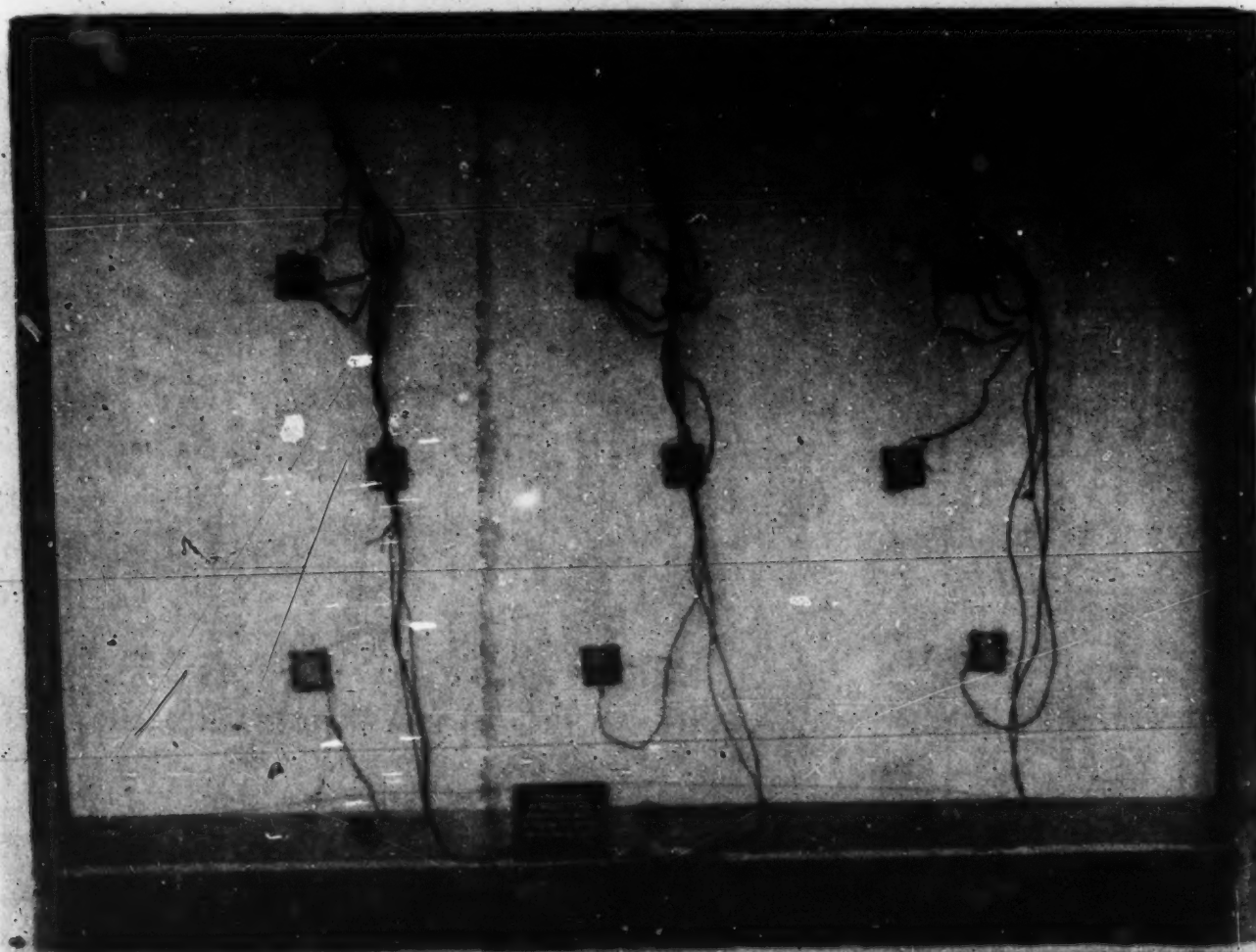
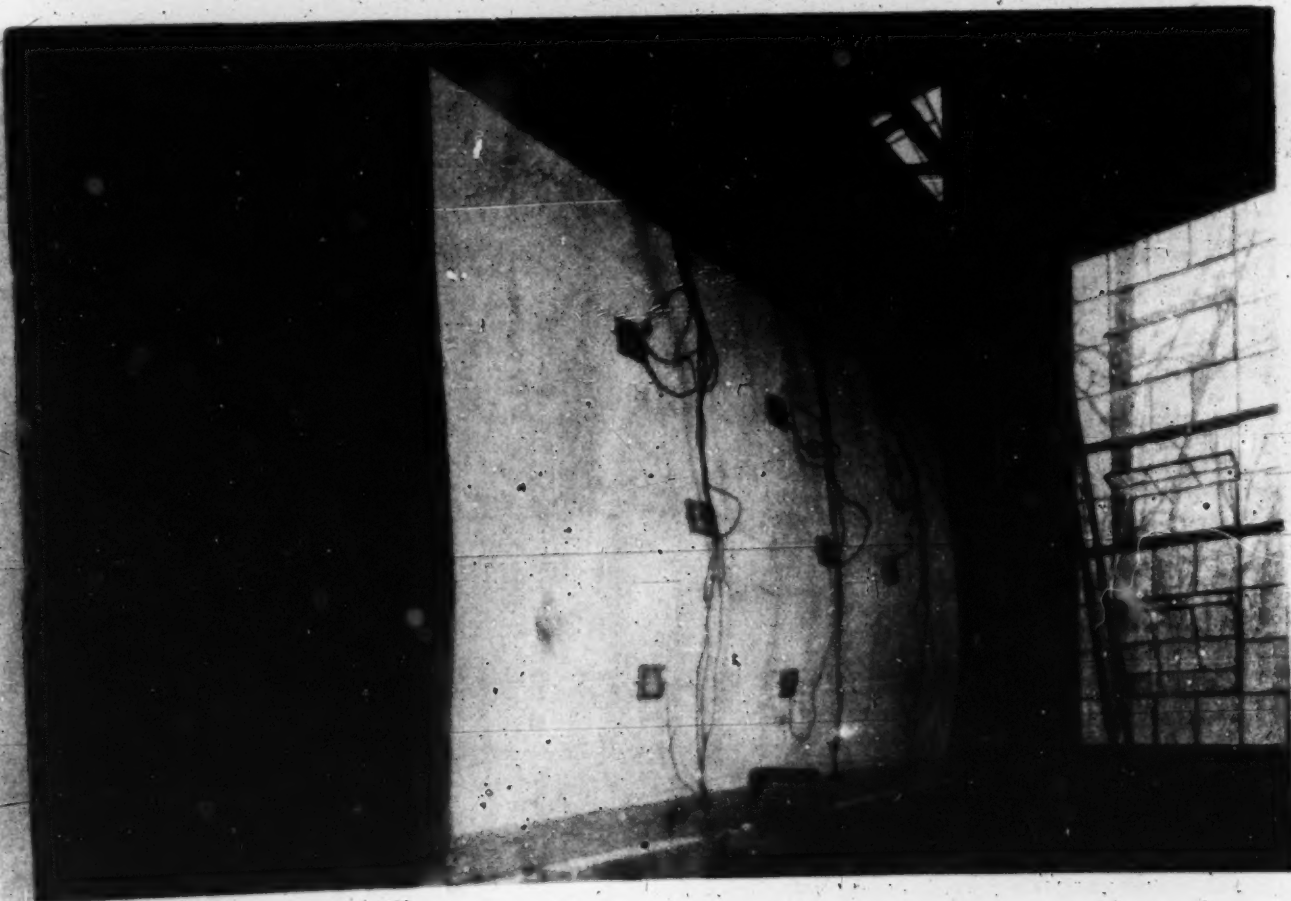


Fig. 5. Test 17. 175. Unburned face of partition after 1-hour exposure of opposite face to fire.



THE FOLLOWING INFORMATION WAS OBTAINED FROM THE RECORDS OF THE



5/8 in. diameter, those in the second lot, 7/8 in.

11465 (c) Sand.—The sand used in the plaster facings had been dredged from the Potomac River, washed, and screened to pass a No. 14 sieve.

(d) Plaster.—The plaster for each partition was delivered in a separate lot. The following data are from the report on physical tests of the two lots.

	Lot 1	Lot 2
Consistency	45	40
Time of Set	6 hrs.	12 hrs.
Tensile Strength	400 lb./in. ²	380 lb./in. ²

Both lots met the requirements of Federal Specification SS-P-401, Plaster; Gypsum.

Each bag bore the markings, "Gold Bond" and "Double fibered".

The finish coat of plaster was made from four parts putty to one part gaging plaster. The putty was made by soaking Washington Finish Hydrate in water for three or more days, after which it was gaged with calcined gaging plaster mixed in batches on the board.

2. Design

These partitions of the usual design for wood-stud load-bearing partitions had 2 by 4 in. scantlings for plates, studs and bridging between studs at mid-height. The allowable load on the partitions was 358 lb/in² of net area of studs, or 30,550 lb. on the 13 studs of each partition. The partitions were free to expand endwise.

3. Construction

(a) Framing.—The top and bottom plates were bolted to the test frame members with three 1/2 in. diameter bolts in each. The studs were spaced 16 in. on centers and toe nailed to the plates with not less than three 8d nails in each end. The bridging blocks, cut herringbone fashion,

were nailed between the studs to form a fire stop at mid-height.

(b) Plaster base.—The gypsum lath boards were nailed to each stud bearing with four sharp-pointed, thin-headed nails $1\frac{1}{4}$ in. long by $13\frac{1}{2}$ gage wire with $\frac{5}{16}$ in. diameter head—a total of 16 nails per board. The boards were spaced $\frac{1}{4}$ in. apart along their edges and the end joints were staggered from course to course.

11466 (c) Grounds.—Perforated metal base beads were applied over the lath at 7 in. from the bottom and 12 in. from the top of the partitions. These formed screeds to give $\frac{1}{2}$ in. thickness of plaster over the face of the lath.

(d) Plastering.—The plaster was applied in three coats. The first two coats were applied by the "double up" method. The second coat was applied as soon as the suction of the plaster base had removed enough water to permit the application of more plaster over the first coat. The plaster was mixed with sand in the proportions 1 part plaster to 2 parts sand by weight of the dry materials. The average strength of 2 in. cubes of the sanded plaster was 1220 and 1320 lb. per sq. in., respectively, when tested at 60 days.

The white finish was applied on the 8th day after the scratch and brown coats had been applied. The strength of 2 in. cubes was 490 lb. per sq. in.

(e) Trim.—The wooden base board and the strips serving as picture molds were applied just previous to the fire tests.

(f) Workmanship.—The workmanship was comparable with that found in local building practice.

(g) Illustrations.—The appearances of the partitions before, during, and after the tests are shown by figs. 1 to 5. Details of the construction, placement of thermocouples and the temperatures of the furnace and at points within the partition and on the unexposed surface are shown by fig. 6.

III. Methods of Testing

1. Specifications

The tests were conducted in accordance with the requirements of the Specifications for Fire Tests of Building Construction and Materials of the American Standards Association except that no partition was subjected to the fire and hose stream test, the adequacy of this type of construction to meet the requirements of this test having been shown by two previous tests.

2. Testing Equipment

The large wall testing equipment of the National Bureau of Standards was used for the tests. This comprises a gas-fired furnace with frames suitable, into which the walls are built to season for test. Each of the frames for these tests was equipped with four hydraulic jacks for applying load.

11467 The furnace is equipped with pyrometers to measure temperatures at nine points within the furnace chamber, at six points within the partition, and under nine asbestos pads distributed on the unexposed surface of each partition. Chromel-alumel thermocouples and portable type potentiometers were used for indicating temperatures in comparison with melting ice.

Deflections of the partitions during tests were observed by measuring from three wires stretched between the top and bottom members of the test frames, one opposite the vertical center line and one at 4 ft. each side of the center line.

3. Procedure

Each wall was built into a test frame and allowed to season 30 days before being subjected to test. The wall with its test frame was then drawn to form one side of the combustion chamber of the furnace and the load was applied before the start of the fire by pumping oil into the four jacks. The temperature was controlled to conform as nearly as possible to the standard reference curve.

The fires were continued for a short time after failure under load had occurred in order to determine when failure of non-bearing partitions might be expected.

IV. Results of Tests

1. Test No. 78

A fire endurance test of a fully-loaded wood-stud partition 16 in. long by 10 ft. 4 in. high by 5 1/2 in. thick faced on each side with 1/2 in. sanded gypsum plaster on perforated gypsum lath. The partition is shown in fig. 1. The test was conducted on September 10, 1936, the fire being continued 1 hr. 2 min.

(a) Furnace temperature.—The furnace fire gave an exposure as measured by the area under the curve of average temperatures, F, (fig. 6a) of 103 per cent of that derived from the area under the standard reference curve. The dashed lines above and below curve F show the maximum and minimum temperatures indicated by the thermocouples exposed to the furnace fire.

(b) Partition temperatures.—The average of the temperatures indicated by the three thermocouples between the lath and the studs on the fire exposed side of the partition, at 2 ft. from the top, is shown by curve 1, fig. 6a, and the maximum of the three by curve 1 max.

11468 The temperatures within the spaces between the studs at the same level are shown by curves 2 and 2 max.

The average of the surface temperatures measured under the nine asbestos pads on the unexposed surface, and the maximum of the nine, are shown by curves P and P max. of the same figure.

(c) Deflections.—The center of the partition deflected towards the fire about 1/4 in. during the first five minutes exposure to the fire, after which it returned, reaching its original position between 10 and 15 min. The deflection was subsequently away from the fire, at 45 min. was 1 1/2 in., and at 48 min., the time of failure under load, was about 2 1/2 in.

(d) Effects of test, fire exposed side.—The first break to appear in the plaster was at 5 1/2 min. when about 1/4 sq. ft. of white finish spalled off.

At 17 3/4 min. a bulge of plaster 3 ft. long was observed at the center of the panel. This bulge had cracked at 20 3/4 min. and the broken edge was standing out 3 1/2 in. from its original position. The break in the bulged

central part of the panel had extended to the south end at 22 3/4 min.

At 23 1/3 min. about 10 sq. ft. of plaster fell from just to the north of the center of the panel. This was quickly followed by the falling of a strip 20 in. wide extending from the center to the south end. At 25 min. another area of plaster fell, bringing the total area fallen to 40 sq. ft.

Vigorous flaming of the paper facing of the gypsum lath followed the fall of plaster. At 28 min. the plaster had separated from the lath above the area from which the plaster had fallen and the lower edge stood 6 to 8 in. from the lath.

The fall of the first piece of lath to expose the wood studs occurred at 32 1/2 min. and 2 min. later a considerable area of lath fell, resulting in a large volume of flame from the exposed studs and paper facings on the lath. At 35 1/2 min. more plaster and lath fell from above the central part of the partition. At 42 1/2 min. about all of plaster and lath had fallen from the upper part of the partition, there remained, however, a strip across the bottom about 2 ft. high.

Failure under load occurred at 48 min. The pressure of oil in the jacks was reduced from 120 lb. per sq. in. to 25 lb. per sq. in. and the screw jacks were set to hold the loading beam in this position. The fire was continued in order to determine when the limiting temperature on the unexposed side of the partition would be reached. At 55 1/4 min. practically all of the plaster had fallen from the fire exposed side. The limiting temperature having been exceeded, the fire was stopped at 62 min.

(e) Effects of test, unexposed side.—The first crack appeared at 4 min. after the start of the test. It was a vertical crack along the first stud south of the center of the panel. At 5 min. a similar crack along the second stud north of the center line appeared and steam had begun to issue from the openings around thermocouple leads Nos. 10 to 15 (fig. 1) and along ends of the partition. At 9 min. the cracks noted above were closed.

A crack about 1 ft. long appeared in the upper south corner (fig. 1) at 13 min. and spalling of white finish along it had begun at 16 min. At 25 min. similar cracks appeared

near the lower corners at both north and south ends. A vertical crack 7 ft. long just north of pad 3 was observed at 42 min.

The cracks noted at 4 and 5 min. were observed to be opening again very slightly at 45 min.

Failure under load at 48 min. was accompanied by the opening of a crack between pads 4 and 7. (fig. 1).

An irregular horizontal crack 6 ft. long opened below pads 5 and 6 just after failure under load. Several other cracks in the plaster opened within the period 48 to 61 1/4 min. at which time the limiting rise of temperature under pad 5 had been reached and the photograph (fig. 2) was made.

(f) Failure.—Failure of the partition in this test was by inability to support the full working load beyond 48 min.

The limit of endurance as a surface finish over wood framing, a temperature rise of 325°F (181°C), was reached at 31 3/4 min. in locations not affected by the falling of plaster, and the limiting rise of the same amount on the unexposed surface under pad 5 was reached at 61 min. The thickness of the plaster on the unexposed side at pad 5 was 1/2 in. This was also the average thickness as measured at the nine pads.

(g) Condition after test.—All the studs except those at the ends were burnt in two and collapse of the partition was imminent at the time of removal from the furnace. The gypsum lath had been calcined for almost its entire area on the unexposed side, and much of the plaster likewise had been calcined. This construction could not be depended upon as a barrier against the sweep of fire beyond its load endurance limit, or beyond 1 hr. when used as a non-bearing partition. The plaster facing was held to the lath by keys in the perforations.

11470 2. Test No. 89.

A fire endurance test of a fully loaded wood stud partition 16 ft. long by 10 ft. high by 5 1/2 in. thick faced on each side with 1/2 in. sanded gypsum plaster on perforated gypsum lath. The partition, ready for test, is shown in fig. 4. The test was conducted on November 30, 1936, the fire being continued 1 hr. 11 1/2 min.

(a) Furnace temperature.—The fire exposure, by curve F, fig. 6, was 101 percent of that determined from the area under the standard reference curve. The dashed lines above and below curve F show the maximum and minimum temperature measured in the furnace during the test.

(b) Partition temperatures.—The average of the temperature indicated by the three thermocouples between the lath and the studs on the fire exposed side at 2 ft. from the top, is shown by curve 1, fig. 6b, and the maximum of the three by curve 1 max. The temperatures within the spaces between the studs at the same level are shown by curves 2 and 2 max.

The average of the surface temperatures measured under the nine asbestos pads on the unexposed surface, and the maximum of the nine, are shown by curves P and P max. of the same figure.

(c) Deflections.—The partition deflected towards the fire at its center $1/5$ in. during the first 5 min. of the test and at 15 min. had returned to its original position, after which no movement was recorded before 30 min., at which time an outward movement of $1/10$ in. was observed. At 55 min. the deflection at the center had reached one inch and was away from the fire.

(d) Effects of test, fire exposed side.—At 9 min. after the start of the fire three small horizontal ridges 6 to 10 in. long in the white finish were seen over joints between courses of gypsum lath.

At 18 min. the base board was charred through and ready to fall away. A bulge in the surface of the plaster at mid-height near the north end of the panel was observed at 27 min. and at 28 min. a vertical crack 5 ft. long was seen at 2 ft. south of the center. The plaster was soon standing out about $3/4$ in. to 1 in. along this crack. At 30 $1/2$ min. a horizontal crack 1 ft. long branched off from the middle of the vertical crack and at 32 min. the lower end of the vertical crack branched into two cracks.

11471 At 34 min. several cracks were to be seen and flames were burning at four of them. The plaster at this time had bulged out 3 to 3 $1/2$ in. along the first vertical crack.

About two-thirds of a square yard of plaster fell from near the center of the panel at 38 1/2 min. and a half min. later almost a square yard of plaster and a half square yard of lath fell, exposing the studs. At 44 min. the plaster south of the first observed vertical crack and below the horizontal crack noted at 30 1/2 min, had fallen to expose the studs. Flames filled the south half of the furnace chamber. The total area of plaster fallen up to this time was about 4 1/2 sq. yd.

At 54 1/2 min. another small area of plaster fell from the upper south end of the panel.

The partition failed to support the full working load after 59 1/2 min. The load was relieved and the fire continued in order to determine the time at which the limiting temperature would be attained under the asbestos pads on the unexposed surface.

The fire was stopped at 1 hr. 11 1/2 min.

(e) Effects of test, unexposed side.—At 5 min. after the start of the test steam was issuing from the top and ends of the partition and around the thermocouple leads Nos. 10 to 15 (fig. 5).

Four cracks, nearly all vertical, were observed at 6 min. and at 10 min. a horizontal crack at 1 1/2 ft. below mid-height and a diagonal crack 1 1/2 ft. above the bottom were seen at the south end of the panel, also similar cracks at the north end. Another vertical crack about 2 1/2 ft. long south of pad 4 appeared at 12 min:

At 30 min. most all of the surface cracks were closed and little steam was seen. At 42 min. small round spots began to appear on the surface of the wall opposite holes in lath. At 57 min. a bulge at the south quarter length of the panel was growing perceptibly. More cracks developed as the partition deflected. Several cracks were developed after load failure before the limiting temperature had been reached.

(f) Failure.—Failure in this test, as in test No. 78 was by inability of the partition longer to support the test load. This occurred at 59 1/2 min.

The limit of endurance as a surface finish over wood framing, a temperature rise of 325°F (181°C) at one point, was reached at 31 min. and the limiting rise of the same amount on the unexposed side under pad 7 was reached

11472 at 65 min. The thickness of plaster at the 9 pads on the unexposed surface ranged from 1/2 to 5/8 in., and averaged 9/16 in.

(g) Condition after test.—The studs were nearly all found to be burnt in two after the fire had been quenched about 18 min. after failure had occurred. The board and plaster on the unexposed side remained in place until the fire was quenched, there was, however, little strength in the plaster at the time the fire was stopped.

V. Summary and Discussion

Tests on two wood framed partitions faced with sanded gypsum lath for fire endurance while subjected to full-working load gave different results with different sizes of holes through the lath. The plaster facing exposed to the fire was retained longer with the larger holes; and, likewise, the fire endurance limit was increased from 48 min. to 59 1/2 min.

Two fire and hose stream tests made on partitions of similar construction showed that this type of construction has a reserve above that required to resist erosion of the hose stream after 30 min. exposure to the test fire, therefore, no hose stream test was required.

The fire resistance rating of the load-bearing partition of 2 in. by 4 in. yellow pine studs with plates of the same material top and bottom and fire-stopped at mid-height, when faced with 1/2 in. of 1:2 sanded gypsum plaster applied over 3/8 in. thick gypsum lath perforated with 10 holes of 5/8 in. diameter per sq. ft., is 45 min.

The fire resistance rating of the partition of the same construction but having 3/8 in. thick gypsum lath perforated with 10 holes of 7/8 in. diameter per sq. ft., is 1 hour.

This report is submitted for your information and is not released for publication in whole or part nor for general use in connection with sales promotion. It is allowable, however, to cite the ratings given above as based on tests conducted according to the specifications referred to under Section III-1 of this report.

Respectfully submitted,

L. J. BRIGGS

LYMAN J. BRIGGS, Director

December 31, 1936.

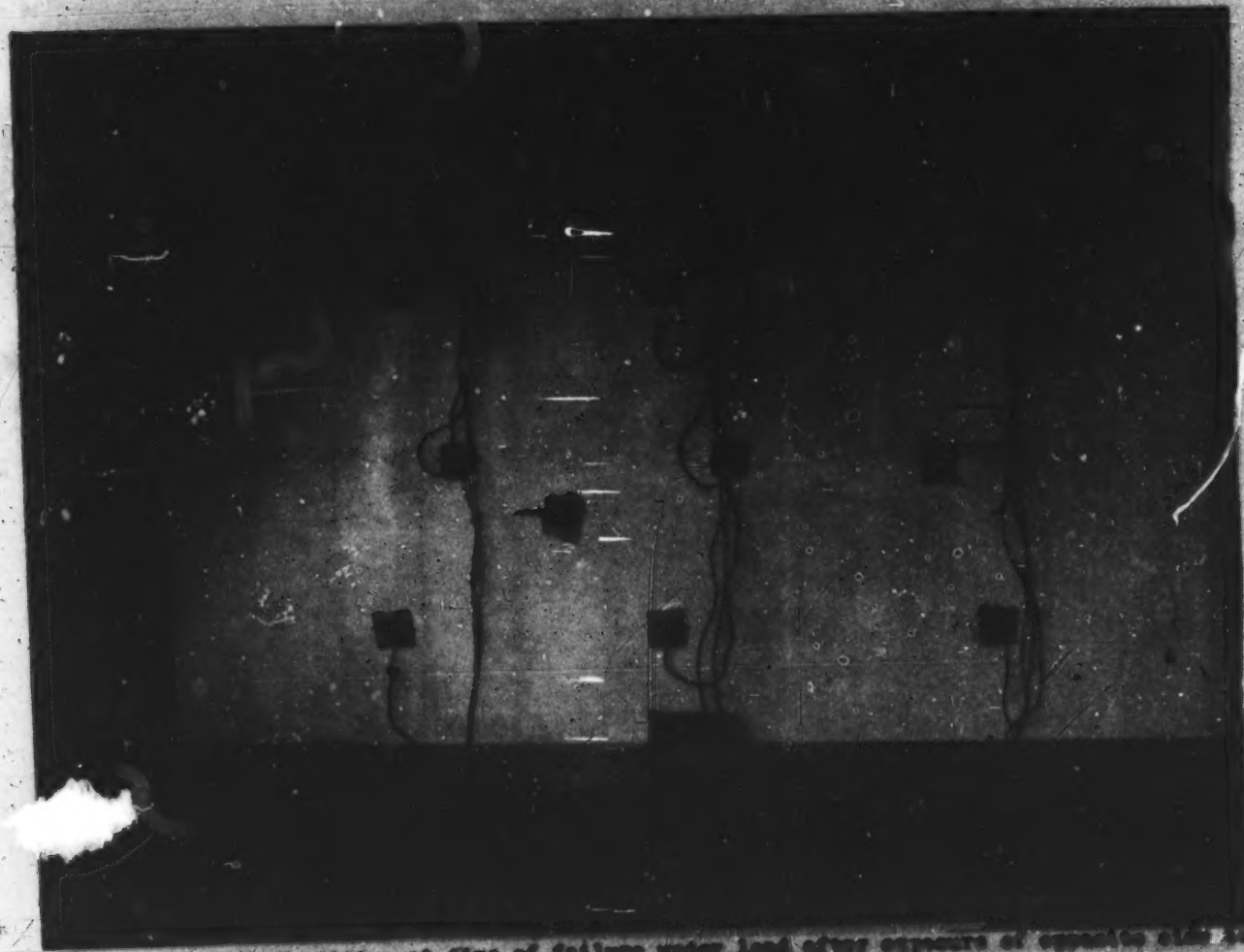


Fig. 5. Test No. 89. Partition at time of failure under load after exposure of opposite side to fire for 1 hr.

6355



Fig. 8. Test No. 70. Partition after exposure of cigarette 100 to flame for 1/2 min.

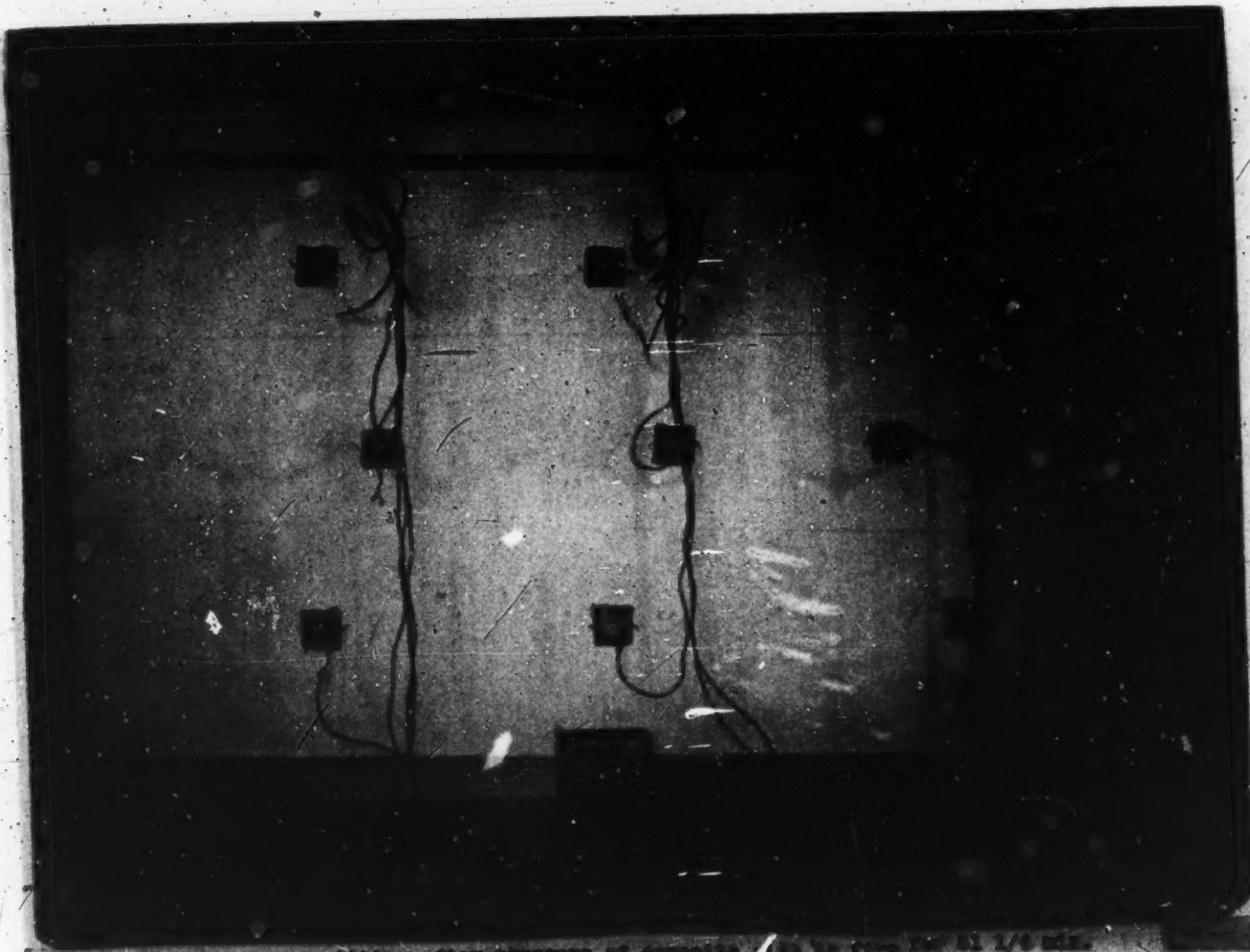


Fig. 9. Test No. 70. Partition after exposure of cigarette 100 to flame for 1/2 min.

6357

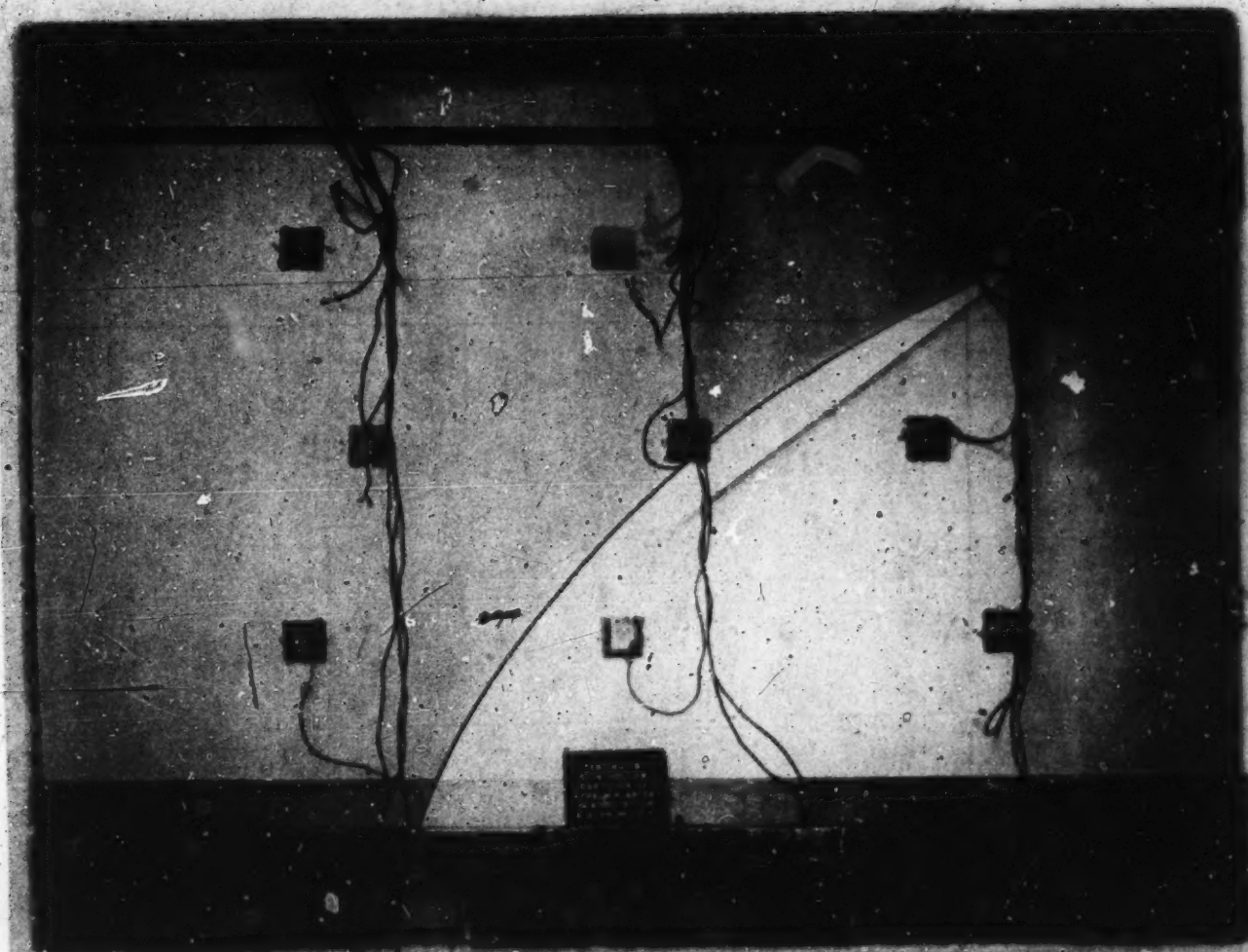


Figure 1 - Test No. 74. Photograph (from broken plate) showing
position after failure under load.

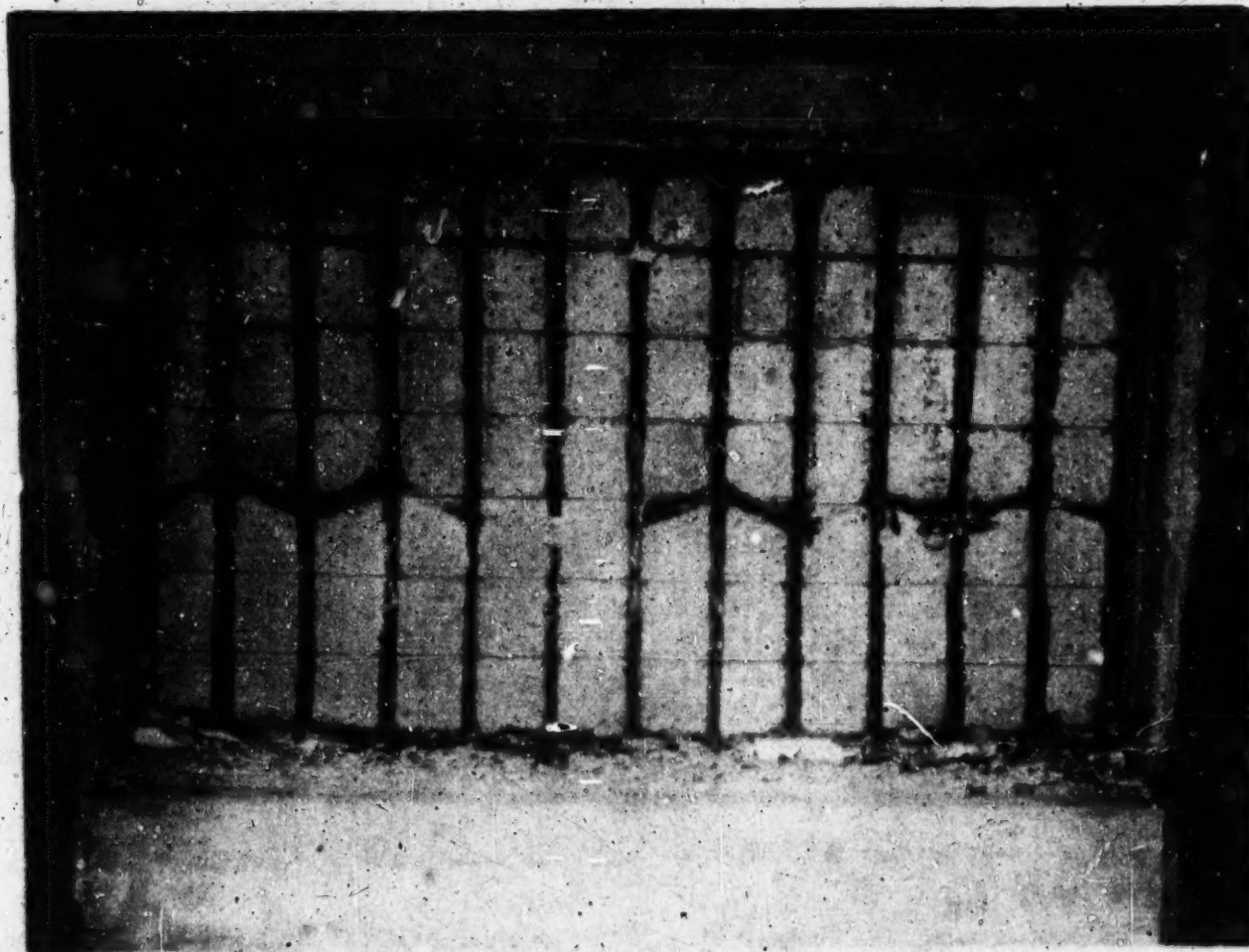


Fig. 3 Test No. 75. Fire exposed side of partition following removal from the furnace after test.

6360

Chart for Tests

No. 78 & 79

See opposite

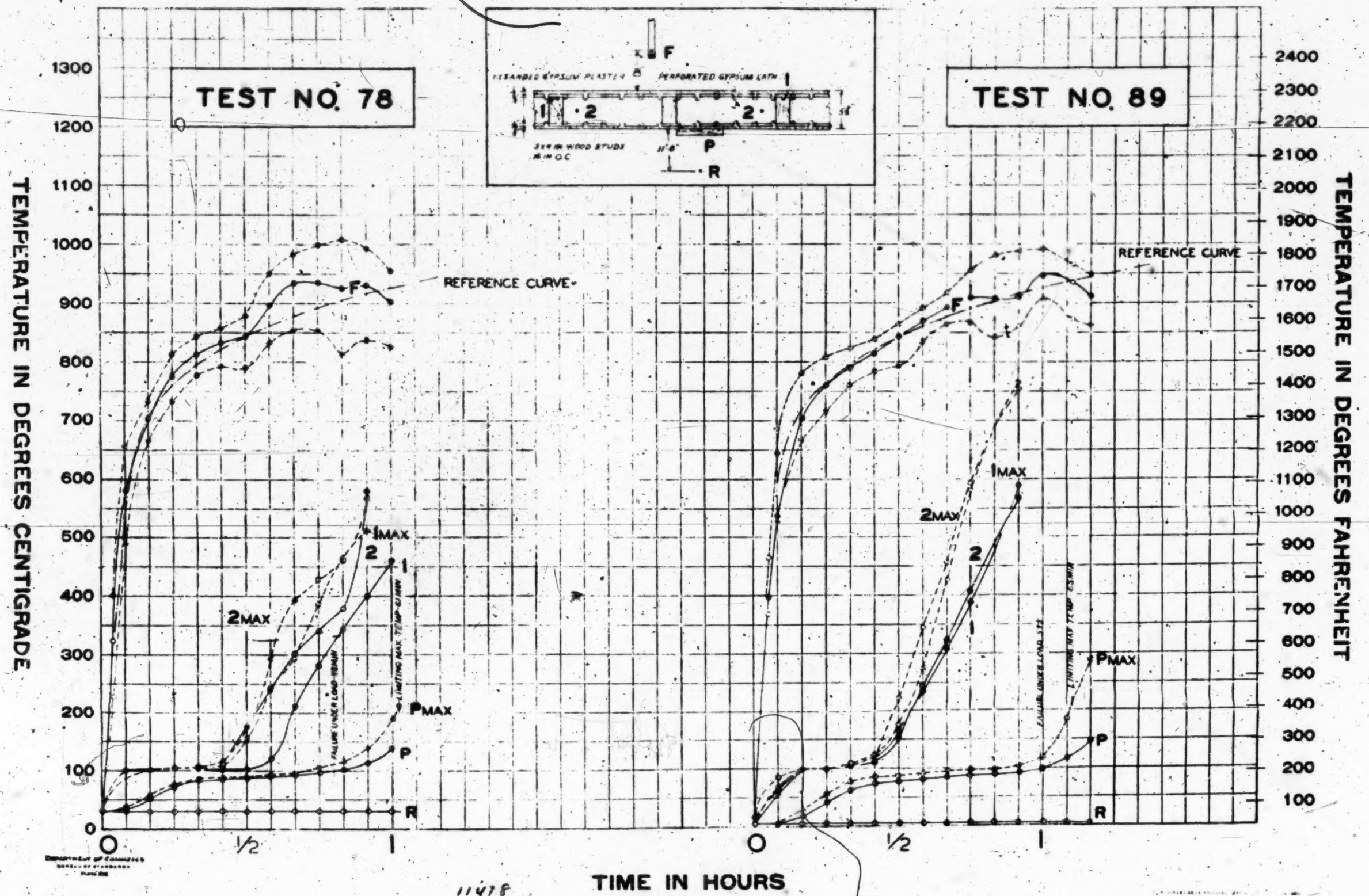


Fig. 6. Furnace and partition temperatures, Tests Nos. 78 and 89

DISTRICT COURT OF THE UNITED STATES**FOR THE DISTRICT OF COLUMBIA****Holding a Three Judge Statutory Court****Civil Action No 8017****UNITED STATES OF AMERICA****Plaintiff****v.****UNITED STATES GYPSUM COMPANY, ET AL.****Defendants****GOVERNMENT EXHIBIT****CONTAINING CERTAIN INTERROGATORIES ON BEHALF
OF THE UNITED STATES OF AMERICA AND ANSWERS
THERETO BY DEFENDANT****UNITED STATES GYPSUM COMPANY****PURSUANT TO RULE 33 OF THE FEDERAL RULES
OF CIVIL PROCEDURE AND****ORDER OF COURT DATED APRIL 5, 1943**

11480 Interrogatory No. 22—State the dates and places of all conferences or meetings held during the period from September 1, 1925 to April 1, 1926, between your representatives and representatives of Beaver Products Company, Inc., and The American Gypsum Company, or of either of said companies, and the names of all of such representatives present at each of such conferences or meetings, in any way relating to (1) settlement of pending litigation between you and Beaver or American, (2) the issuance of a license to Beaver or American or to any other company by you [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—So far as we have definite information there were two meetings between Sewell L. Avery, President of the United States Gypsum Company and Augustus S. Blagden, President of Beaver Products, Inc., one in December, 1925, and the other in February, 1926, relating to the possibility of a settlement of litigation then existing between United States Gypsum Company and Beaver Products, Inc. and to the possibility of the issuance of a license

by United States Gypsum Company to Beaver Products, Inc. The former meeting occurred in Chicago, Illinois, and the latter in New York, N. Y.

Interrogatory No. 23—State the dates and places of all conferences or meetings held during the period from April 1, 1926 to May 1, 1927 between your representatives and representatives of any other companies manufacturing gypsum board at that time or any time thereafter, in any way relating to the issuance of licenses by you under any patent owned by you. State the names of all companies represented at each of said conferences or meetings, the names of the representatives of each of said companies, the names of all other individuals present at each of said conferences or meetings, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—As presently advised, there were the following meetings:

(a) May 20, 1926; Chicago, Illinois. Sewell L. Avery, President of United States Gypsum Company, attended for a time a meeting of several representatives of other companies interested in the gypsum board business. The names of the representatives and their companies are not definitely known.

(b) June—July, 1926; Chicago, Illinois. Numerous meetings were held between Sewell L. Avery, President of United States Gypsum Company and Augustus S. Blagden, President of Beaver Products, Inc. and/or their respective attorneys, John E. MacLeish and J. McMitchell. The dates of such meetings were: June 15, June 16, June 17, June 21, July 7, July 8, July 9, July 10, July 22, July 23, July 24, and July 29, 1926.

(c) June 18, 1926; Chicago, Illinois; present: Sewell L. Avery, President of United States Gypsum Company, Frank J. Griswold, Vice-President of American Gypsum

Company and M. A. Reeb, President of Niagara Gypsum Company.

(d) August—September, 1926; Chicago, Illinois. Several meetings were held between Sewell L. Avery, President of United States Gypsum Company and W. E. Shearer, President of Universal Gypsum & Lime Company and/or their respective attorneys, John E. MacLeish and Messrs. Carnahan and Fricke. The dates of such meetings were August 3, August 10, August 24, August 31, and September 17, 1926.

(e) September 13, 1926; Chicago, Illinois; present: Sewell L. Avery, President of United States Gypsum Company, John E. MacLeish, its attorney, J. H. McCrady, President, Frank J. Griswold, Vice-President and C. F. Miller, director, of American Gypsum Company.

(f) March 3, 4 and 5, 1927; Chicago, Illinois. Meetings were held between Sewell L. Avery, President of United States Gypsum Company, and W. P. Fuller, President of Atlantic Gypsum Products, Inc. and/or their respective attorneys, John E. MacLesh and H. M. Channing.

11481 (g) March 22, 1927; Chicago, Illinois; present: Sewell L. Avery, President of United States Gypsum Company and Samuel M. Gloyd, representing Texas Cement Plaster Company.

Interrogatory No. 32—State the dates and places of all conferences or meetings held during the period from January 1, 1928, to June 1, 1929, between your representatives and representatives of any and all other gypsum companies, in any way relating to (1) the settlement of any patent litigation; (2) the issuance of licenses by you under patents owned by you and state the names of all representatives of all companies who were present at each of said conferences or meetings, the names of all companies who were represented at each of such conferences or meetings, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—As presently advised, there were the following meetings:

(a) February 29, 1928; Chicago, Illinois; present: Sewell L. Avery, President of United States Gypsum

Company, George M. Brown, President of Certain-teed Products Corporation and Augustus S. Blagden, President Beaver Products, Inc., the assets of which latter company had just been purchased by Certain-teed.

(b) Shortly prior to November 20, 1928; Chicago, Illinois; present: Sewell L. Avery, President of United States Gypsum Company and John A. Kling, President of American Gypsum Company.

(c) April 11, 1929, Cleveland, Ohio; present: Sewell L. Avery, President of United States Gypsum Company and John A. Kling, President of American Gypsum Company.

(d) May 9, 1929; Chicago, Illinois; present: Sewell L. Avery, President of United States Gypsum Company, John A. Kling, President of American Gypsum Company and their respective attorneys, John E. MacLeish and John H. Watson.

(e) May 21, 22 and 23, 1929; Chicago, Illinois. Meetings were held at which some or all of the following persons attended from time to time: Sewell L. Avery, President of United States Gypsum Company, and John E. MacLeish, attorney; W. P. Fuller, President of Atlantic Gypsum Products, Inc., and H. M. Channing, attorney; George M. Brown, President, and Audenreid Whittemore, Vice-President of Certain-teed Products Corporation; Frederick G. Ehsary, President of Ehsary Gypsum Company, Inc., and Harlan W. Rippey, attorney; Melvin H. Baker, President of National Gypsum Company, and Elmer E. Finck, attorney; M. A. Reeb, President of Niagara Gypsum Company; Eugene Holland, President of Universal Gypsum & Lime Company, and F. E. Britton, attorney.

(f) Although we have no definite record as to dates, F. J. Griswold, Vice-President of American Gypsum Company called on Sewell L. Avery, President of United States Gypsum Company at Mr. Avery's office on a few occasions during this period.

(g) Although we have no definite record as to dates, Eugene Holland, President of, and later Co-Receiver for, Universal Gypsum & Lime Company, called on Sewell L. Avery, President of United States Gypsum Company at Mr. Avery's office on a few occasions during this period.

Interrogatory No. 34—State the dates and places of all conferences or meetings between your representatives and the Universal Gypsum & Lime Company, or any other company, in any way relating to (1) any allegation, statement, or claim, that the use of starch in the foam process infringed or would infringe the Hite or Haggerty patents, (2) the acquisition by you of the Hite or Haggerty patents. State by whom these conferences or meetings on each occasion were attended on your behalf and on behalf of Universal, or any other company, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

11482 Answer—As presently advised, there were the following meetings relating to claims that United States Gypsum Company infringed the Haggerty and Hite patents in its manufacture of gypsum board or the acquisition by United States Gypsum Company of the Hite and Haggerty patents:

(a) July, 1929; Chicago, Illinois; present: Sewell L. Avery, President of United States Gypsum Company and Eugene Holland, co-receiver of Universal Gypsum & Lime Company.

(b) July 25, 1929; Chicago, Illinois; a meeting was held at which some or all of the following attended: Sewell L. Avery, President of United States Gypsum Company, and its attorney, John E. MacLeish; W. P. Fuller, President of Atlantic Gypsum Products, Inc., and its attorney, H. M. Channing; C. O. Brown, Vice-President of Certain-teed Products Corporation; Frederick G. Ebsary, President, and/or George N. Lenci, Vice-President of Ebsary Gypsum Company, Inc., and/or its attorney, Harlan W. Rippey; Melvin H. Baker, President of National Gypsum Company and its attorney, Elmer E. Finck; M. E. Reeb, President of Niagara Gypsum Company; and Eugene Holland, co-receiver of Universal Gypsum & Lime Company.

(c) August 6, 1929; Chicago, Illinois. A meeting was held at which some or all of the following attended: Sewell L. Avery, President of United States Gypsum Company, and its attorney, John E. MacLeish; W. P. Fuller, President of Atlantic Gypsum Products, Inc., and its attorney, H. M. Channing; C. O. Brown, Vice-President of Certain-teed Products Corporation; Frederick G. Ebsary, Presi-

dent, and/or George N. Lenci, Vice-President of Ebsary Gypsum Company, Inc., and/or its attorney, Harlan W. Rippey; Melvin H. Baker, President of National Gypsum Company and its attorney, Elmer E. Finck; M. E. Reeb, President of Niagara Gypsum Company; and Eugene Holland, co-receiver of Universal Gypsum & Lime Company.

(d) August—November, 1929; Chicago, Illinois. Meetings were held between John E. MacLeish, attorney for United States Gypsum Company and L. W. Fricke and/or F. E. Britton, attorneys for Universal Gypsum & Lime Company, on the following dates: August 19, August 20, September 4, September 6, September 16, September 17, September 18, September 24, September 26, September 27, September 30, October 3, October 10, October 14, October 15, October 17, October 21, October 22, October 25, October 26, October 29, November 4 and November 5, 1929. A few of the foregoing meetings were attended by Sawell L. Avery, President of the United States Gypsum Company and Eugene Holland, co-receiver of Universal Gypsum & Lime Company. The meetings of August 20, August 30 and October 3, 1929, were attended by Melvin H. Baker, President of National Gypsum Company and its attorney, Elmer E. Finck.

Interrogatory No. 35—State the dates and places of all conferences or meetings between your representatives and representatives of the Texas Cement Plaster Company at which you offered to license Texas under the Hite and Haggerty and foam process patents, the names of all officials and representatives of either company that were present at such conferences or meetings [and state the substance of what was said by each person present at such conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—As presently advised, there were meetings between Oliver M. Knode, President of United States Gypsum Company and Samuel M. Gloyd of Texas Cement Plaster Company on January 13 and 14, 1937, at which a license to manufacture and sell gypsum board under the Haggerty patent and patents covering cellular gypsum board and other patents was offered by United States Gypsum Company to Texas Cement Plaster Company.

11483 Interrogatory No. 39—State the dates and places of all conferences or meetings between you and

your licensees and the names of all individuals who attended such meetings at which the prices and terms and conditions of sale for gypsum board prescribed by you in the various bulletins issued by you were discussed or at which complaints of alleged violations by licensees of said bulletin prices and terms and conditions of sale were discussed.

Answer—As presently advised, licensee meetings were held on or about the following dates in the following places and were attended by the following representatives of United States Gypsum Company:

Date	Place	Representatives of U. S. Gypsum Company
March 10, 1931	Chicago, Ill.	Sewell L. Avery, C. F. Henning, and John E. Mac Leish, attorney.
October 17, 1932	New York, N. Y.	C. F. Henning and John E. Mac Leish, attorney.
November 15, 1932	New York, N. Y.	C. F. Henning and John E. Mac Leish, attorney.
December 13, 1932	Chicago, Ill.	C. F. Henning, F. M. Miller and John E. Mac Leish, attorney.
March 21, 1933	Buffalo, N. Y.	C. F. Henning, F. M. Miller and John E. Mac Leish, attorney.
April 27, 1933	New York, N. Y.	C. F. Henning, F. M. Miller E. A. Gallagher and John E. Mac Leish, attorney.
June 13, 1933	Chicago, Ill.	C. F. Henning & F. M. Miller.
May 23, 1934	Chicago, Ill.	C. F. Henning and R. J. Sterling.
December 20, 1934	Chicago, Ill.	C. F. Henning, E. W. Carey, and John E. Mac Leish, attorney.
March 13, 1935	Chicago, Ill.	C. F. Henning and E. W. Carey.
April, 1935	New York, N. Y.	C. F. Henning, E. W. Carey and E. A. Gallagher.
June 6, 1935	Chicago, Ill.	C. F. Henning and E. W. Carey
September 11, 1935	Chicago, Ill.	C. F. Henning and E. W. Carey
December 11, 1935	Chicago, Ill.	C. F. Henning, H. F. Sadler and C. M. Price, attorney.
February 19, 1936	New York, N. Y.	C. F. Henning, M. J. Powers and C. M. Price, attorney
June 10, 1936	New York, N. Y.	C. F. Henning
September 10, 1936	Buffalo, N. Y.	C. F. Henning
March 17, 1937	New York, N. Y.	W. L. Keady, H. F. Sadler.

We have no definite information as to what other persons attended the above-mentioned meetings but such meetings were customarily attended by some or all of the following licensees and by one or more of the representatives indicated:

Licensee
National Gypsum Company
Certain-teed Products Corp.
Ebsary Gypsum Company
American Gypsum Company
Atlantic Gypsum Products Company
Kelley Plasterboard Company
Universal Gypsum & Lime Company

Representatives
M. H. Baker, R. F. Burley.
C. O. Brown, Warren Henley,
E. H. Roos
F. G. Ebsary, George N. Lenci.
A. R. Black
W. P. Fuller, L. I. Neale.
S. J. Kelley
Eugene Holland.

11484

*Government's Exhibit No. 613***DISTRICT COURT OF THE UNITED STATES****FOR THE DISTRICT OF COLUMBIA****Holding a Three Judge Statutory Court****Civil Action No. 8017****UNITED STATES OF AMERICA****Plaintiff****v.****UNITED STATES GYPSUM COMPANY, ET AL.****Defendants****GOVERNMENT EXHIBIT****CONTAINING CERTAIN INTERROGATORIES ON BEHALF
OF THE UNITED STATES OF AMERICA AND ANSWERS
THERE TO BY DEFENDANT****NATIONAL GYPSUM COMPANY****PURSUANT TO RULE 33 OF THE FEDERAL RULES
OF CIVIL PROCEDURE AND****ORDER OF COURT DATED APRIL 5, 1943**

11486 Interrogatory No. 28—State the dates and places of all conferences or meetings held during the period from January 1, 1928 to June 1, 1929, between representatives of U.S.G. and representatives of any and all other gypsum companies, in any way relating to (1) the settlement of any patent litigation; (2) the issuance of licenses by U.S.G. under patents owned by U.S.G. and state the names of all representatives of all companies who were present at each of said conferences or meetings, the names of all companies who were represented at each of such conferences or meetings, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—National Gypsum Company has no reasonably acceptable records from which it can supply the dates and places of meetings and the names of persons present at conferences or meetings held during the period from Janu-

ary 1, 1928 to July 1, 1929; between the representatives of the United States Gypsum Company and the representatives of any and all other gypsum companies in any way relating to (1) the settlement of any patent litigation; (2) the issuance of licenses by U.S.G. under patents owned by U.S.G.; except that meetings of the representatives of various gypsum companies took place in Chicago, Illinois, in May, 1929. The actual dates and places of such conferences or meetings cannot be given with any reasonable accuracy from any available record. Such conferences or meetings were usually attended by Melvin H. Baker, as representative of National Gypsum Company.

As now advised the present employees of National competent to speak state that they cannot with reasonable accuracy name the representative or representatives of any and all other gypsum companies present at each of such conferences or meetings.

Interrogatory No. 29—State the dates and places of all conferences or meetings held during the period from January 1, 1928 to June 1, 1929 between representatives of any and all gypsum companies, relating to (1) the settlement of any litigation; (2) the issuance of licenses under patents owned by U.S.G. and state the names of all representatives of all companies who were present at each of said conferences or meetings, the names of all companies who were represented at each of such conferences or meetings [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—Same as No. 28.

Interrogatory No. 31—State the dates and places of all conferences or meetings between representatives of U.S.G. and the Universal Gypsum & Lime Company, or any other company, in any way relating to (1) any allegation, statement, or claim, that the use of starch in the foam process is ^{infringed} or would infringe 11485 the Hite or Haggerty patents, (2) the acquisition by U.S.G. of the Hite or Haggerty patents. State by whom these conferences or meetings on each occasion were attended on your behalf and on behalf of Universal and U.S.G. or any other company, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—As presently advised National Gypsum Company or any one of its present employees competent to speak has no reasonably accurate record or recollection with respect to the information requested in Interrogatory No. 31.

Interrogatory No. 37—State the dates and places of all conferences or meetings between U.S.G. and its licensees and the names of all individuals who attended such meetings at which the prices and terms and conditions of sale for gypsum board prescribed by U.S.G. in the various bulletins issued by U.S.G. were discussed or at which complaints of alleged violations by licensees of said Bulletin prices and terms and conditions of sale were discussed.

Answer—As presently advised licensee meetings were held from time to time after the signing of the license agreement, but National Gypsum Company has no definite information as to the individuals who attended such meetings nor as to the dates and places of such meetings. The recollection of present employees competent to speak is that some or all of such meetings were attended by M. H. Baker or R. F. Burley, representing National Gypsum Company; C. F. Henning, W. R. Keady, John MacLeish, Attorney, F. M. Miller, H. F. Sadler or E. W. Carey, representing United States Gypsum Company; C. O. Brown or Warren Henley, representing Certain-teed Products Company; F. G. Ebsary or George Lenci, representing Ebsary Gypsum Company; Al R. Black, representing American Gypsum Company; W. P. Fuller or L. I. Neale, representing Atlantic Gypsum Products Company; S. J. Kelly, representing Kelly Plasterboard Company, and Eugene Holland, representing Universal Gypsum & Lime Company.

11487

Government's Exhibit No. 614

DISTRICT COURT OF THE UNITED STATES

FOR THE DISTRICT OF COLUMBIA

Holding a Three Judge Statutory Court

Civil Action No. 8017

UNITED STATES OF AMERICA

Plaintiff

v.

UNITED STATES GYPSUM COMPANY, ET AL.

Defendants

GOVERNMENT EXHIBIT
CONTAINING CERTAIN INTERROGATORIES ON BEHALF
OF THE UNITED STATES OF AMERICA AND ANSWERS
THERE TO BY DEFENDANT
CERTAIN-TEED PRODUCTS CORPORATION

PURSUANT TO RULE 33 OF THE FEDERAL RULES
OF CIVIL PROCEDURE AND
ORDER OF COURT DATED APRIL 5, 1943

11488 Interrogatory No. 24—State the dates and places of all conferences or meetings held during the period from September 1, 1925 to May 1, 1927 between your representatives and representatives of any other companies manufacturing gypsum board at that time or any time thereafter, in any way relating to the issuance of licenses by U.S.G. under any patent owned by U.S.G. State the names of all companies represented at each of said conferences or meetings, the names of the representatives of each of said companies, the names of all other individuals present at each of said conferences or meetings, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—We are unable to supply the answer to this interrogatory from any company record or the memory of any present employee competent to speak.

Interrogatory No. 33—State the dates and places of all conferences or meetings held during the period from January 1, 1928 to June 1, 1929, between representatives of U.S.G. and representatives of any and all other gypsum companies, in any way relating to (1) the settlement of any patent litigation; (2) the issuance of licenses by U.S.G. under patents owned by U.S.G. and state the names of all representatives of all companies who were present at each of said conferences or meetings, the names of all companies who were represented at each of such conferences or meetings, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—In so far as we have been able to ascertain there were the following meetings:

1. On or about February 28, 1928 there was a meeting which was attended by Mr. G. M. Brown on behalf of Cer-

tain-teed Products Corporation. We are unable to state where the meeting was held or what other companies were represented other than that United States Gypsum Company was represented by some person whose name we are unable to supply.

2. On or about May 22, 1929 there was a meeting at Chicago, Illinois at which Certain-teed Products Corporation was represented by Mr. George M. Brown and Mr. Audenried Whittemore. United States Gypsum Company was represented by Mr. Sewell L. Avery and Mr. John E. McLeish. We are unable to state the names of anyone else who was present.

Interrogatory No. 34—State the dates and places of all conferences or meetings held during the period from January 1, 1928 to June 1, 1929 between representatives of any and all gypsum companies, relating to (1) the settlement of any litigation; (2) the issuance of licenses under patents owned by U.S.G. and state the names of all representatives of all companies who were present at each of said conferences or meetings, the names of all companies who were represented at each of such conferences or meetings [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—Other than as stated in the answer to interrogatory No. 33 we are unable to supply any information in answer to this interrogatory.

Interrogatory No. 36—State the dates and places of all conferences or meetings between representatives of U.S.G. and the Universal Gypsum & Lime Company, or any other company, in any way relating to (1) any allegation, statement, or claim, that the use of starch in the foam process infringed or would infringe the Hite or Haggerty patents, (2) the acquisition by U.S.G. of the Hite or Haggerty patents. State by whom these conferences or meetings on each occasion were attended on your behalf and on behalf of Universal and U.S.G. or any other company, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

11489 Answer—So far as we are able presently to state the following meetings took place:

1. July 26, 1929 at Chicago, Illinois. Present: Mr. C. O. Brown of Certain-teed Products Corporation, Mr. Sewell L. Avery of United States Gypsum Company. There were also present representatives of National Gypsum Company, Atlantic Gypsum Company, Ebsary Gypsum Company and their attorneys but we are unable to supply the names of such representatives and attorneys.

2. August 6, 1929 at Chicago, Illinois. Present: Mr. C. O. Brown of Certain-teed Products Corporation. We are unable to state what other persons were present.

Interrogatory No. 42—State the dates and places of all conferences or meetings between U.S.G. and its licensees and the names of all individuals who attended such meetings at which the prices and terms and conditions of sale for gypsum board prescribed by U.S.G. in the various bulletins issued by U.S.G. were discussed or at which complaints of alleged violations by licensees of said bulletin prices and terms and conditions of sale were discussed.

Answer—So far as we are able presently to state the following meetings took place at which the persons listed below were present:

1. On May 23, 1934 at Chicago, Illinois. Present: Warren Henley and H. H. Van Hagan of Certain-teed Products Corporation; C. F. Henning of United States Gypsum Company.

2. On December 20, 1934 at Chicago, Illinois. Present: H. H. Van Hagan of Certain-teed Products Corporation; C. F. Henning of United States Gypsum Company.

3. On June 10, 1936 at New York, New York. Present: C. O. Brown of Certain-teed Products Corporation; C. F. Henning of United States Gypsum Company.

4. On September 10, 1936 at New York, New York. Other than as stated above we are unable to state who was present at the foregoing meetings.

11490

*Government's Exhibit No. 615***DISTRICT COURT OF THE UNITED STATES****FOR THE DISTRICT OF COLUMBIA****Holding a Three Judge Statutory Court****Civil Action No. 8017****UNITED STATES OF AMERICA****Plaintiff****v.****UNITED STATES GYPSUM COMPANY, ET AL.****Defendants****GOVERNMENT EXHIBIT****CONTAINING CERTAIN INTERROGATORIES ON BEHALF
OF THE UNITED STATES OF AMERICA AND ANSWERS
THERE TO BY DEFENDANT****EBSARY GYPSUM COMPANY****PURSUANT TO RULE 33 OF THE FEDERAL RULES
OF CIVIL PROCEDURE AND
ORDER OF COURT DATED APRIL 5, 1943**

11491 Interrogatory No. 22—State the dates and places of all conferences or meetings held during the period from September 1, 1925 to May 1, 1927 between your representatives and representatives of any other companies manufacturing gypsum board at that time or any time thereafter, in any way relating to the issuance of licenses by U.S.G. under any patent owned by U.S.G. State the names of all companies represented at each of said conferences or meetings, the names of the representatives of each of said companies, the names of all other individuals present at each of said conferences or meetings, [and state the substance of what was said by each person present at said conferences or meetings.] {Court sustained objection to matters enclosed in brackets.}

Answer—We did not make gypsum board at any time between September 1, 1925, and May 1, 1927, and we had no meetings with other companies relating to the issuance of any license by U.S.G. under any patent.

Interrogatory No. 27—State the dates and places of all conferences or meetings held during the period from January 1, 1928 to June 1, 1929, between representatives of U.S.G. and representatives of any and all other gypsum companies, in any way relating to (1) the settlement of any patent litigation; (2) the issuance of licenses by U.S.G. under patents owned by U.S.G. and state the names of all representatives of all companies who were present at each of said conferences or meetings, the names of all companies who were represented at each of such conferences or meetings, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—We have no knowledge, recollection or record of any meetings between January 1, 1928, and June 1, 1929, except a meeting of May 21st—23rd, 1929, which was held at Chicago, Illinois, when the original license agreement was issued by U.S.G. to Ebsary. We had no occasion to meet with U.S.G. or other companies to discuss settlement of litigation, as we did not make any closed edge board until after the issuance of a license by U.S.G. We had no suits pending against us in relation to any patents.

We have no record of those present at the May 1929 meeting, but believe that all of the following companies were represented by one or more of their executives, and in some cases also by counsel:

U.S.G.	Niagara	Certain-feed
National	Kelley	Universal
Atlantic	Ebsary	American

Ebsary was represented at said meeting by Frederick G. Ebsary and George N. Lenci and possibly by Harlan W. Rippey.

Interrogatory No. 28—State the dates and places of all conferences or meetings held during the period from January 1, 1928 to June 1, 1929 between representatives of any and all gypsum companies, relating to (1) the settlement of any litigation; (2) the issuance of licenses under patents owned by U.S.G. and state the names of all representatives of all companies who were present at each of said conferences or meetings, the names of all companies who were represented at each of such conferences or meetings [and state

the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—Same as No. 27 above.

Interrogatory No. 30—State the dates and places of all conferences or meetings between representatives of U.S.G. and the Universal Gypsum & Lime Company, or any other company, in any way relating to (1) any allegation, statement, or claim, that the use of starch in the foam process infringed or would infringe the Hite or Haggerty patents, (2) the acquisition by U.S.G. of the Hite or Haggerty patents. State by whom these conferences or meetings on each occasion were attended on your behalf and on behalf of Universal and U.S.G. or any other company, [and state the substance of what was said by each person present at said conferences or meetings.] [Court sustained objection to matters enclosed in brackets.]

Answer—To the best of our present information and belief, there was a meeting at Chicago in or about August or September 1929 in relation to the Hite and/or Haggerty patents which Frederick G. Ebsary attended. At such meeting we believe U.S.G. was represented by Sewell L. Avery, National by Melvin H. Baker, Universal by Eugene Holland, and Certain-tyed by C. O. Brown. We have no record of the meeting or the date thereof or of those present. There may have been additional companies represented at this meeting.

Interrogatory No. 37—State the dates and places of all conferences or meetings between U.S.G. and its licensees and the names of all individuals who attended such meetings at which the prices and terms and conditions of sale for gypsum board prescribed by U.S.G. in the various bulletins issued by U.S.G. were discussed or at which complaints of alleged violations by licensees of said bulletin prices and terms and conditions of sale were discussed.

Answer—The dates and places of all conferences or meetings between U.S.G. and its licensees referred to in this interrogatory of which we have knowledge, and the names of the individuals who attended such meetings were as follows:

Meeting of October 17, 1932, held at New York City:

<i>Company</i>	<i>Represented by</i>
U. S. G.	C. F. Henning and John E. MacLeish
Atlantic	L. I. Neale
Kelley	S. J. Kelley
Ebsary	F. G. Ebsary and G. N. Lenci
National	C. E. Hough and E. H. Diegel
Certain-teed	M. H. Baker
American	C. O. Brown and E. H. Roos
Universal	A. R. Black
	Eugene Holland

Meeting of November 15th, 1932, held at New York City:

<i>Company</i>	<i>Represented by</i>
U. S. G.	C. F. Henning and John E. MacLeish
Atlantic	L. I. Neale and W. P. Fuller
Kelley	S. J. Kelley
Ebsary	F. G. Ebsary and G. N. Lenci
National	M. H. Baker
Certain-teed	C. O. Brown and E. H. Roos
American	A. R. Black
Universal	Eugene Holland

Meeting of December 13, 1932, held at Chicago:

<i>Company</i>	<i>Represented by</i>
U. S. G.	C. F. Henning and John E. MacLeish
Universal	Eugene Holland and Frank Krumholtz
Atlantic	L. I. Neale
Kelley	S. J. Kelley
Ebsary	F. G. Ebsary and G. N. Lenci
Certain-teed	Warren Henley
National	M. H. Baker
American	A. R. Black

Meeting of April 27, 1933, held at New York City:

<i>Company</i>	<i>Represented by</i>
U. S. G.	C. F. Henning and E. A. Gallagher
National	M. H. Baker and R. F. Burley
Atlantic	L. I. Neale and W. P. Fuller
Certain-teed	C. O. Brown, E. H. Roos, and Ben McCausland

11493 Meeting of December 13, 1932 (continued):

<i>Company</i>	<i>Represented by</i>
Universal Kelley Ebsary	Eugene Holland S. J. Kelley G. N. Lenci and E. H. Diegel

Also, meeting held on or about March 17, 1937, at New York City:

<i>Company</i>	<i>Represented by</i>
U. S. G. Ebsary	W. K. Keady F. G. Ebsary

There was also a meeting held in Chicago on or about June 23, 1934, for the purpose of considering the testing of light weight gypsum board, at which there were present:

<i>Company</i>	<i>Represented by</i>
Atlantic Universal American Certain-teed National U. S. G. Ebsary	L. I. Neale Eugene Holland A. R. Black Van Hagen, M. H. Baker C. F. Henning G. N. Lenci Sterling, E. H. Roos

Report of Sales Department—Year 1926

MR. S. L. AVERY,
President,
Office.

Shipments comparing the year 1926 with the year 1925 as follows:

Commodity (Inc. F.P.)	1926	1925	Comparison
Total Tonnage	2,877,402	2,733,718	G 5.3%
Bag Tonnage	1,817,318	1,749,932	G 3.8%
Unmixed Tonnage	421,683	412,215	G 2.3%
Lime Tonnage	127,557	124,661	G 2.3%
Textone Poundage	2,414,244	1,770,953	G 36.3%
Sheetrock & St. Bd. Footage	380,541,000	386,346,000	L 1.5%
Rocklath Footage	122,108,000	66,196,000	G 84.5%
Partition Tile Footage	21,777,000	19,767,000	G 10.2%

Gross sales for the year 1926 were \$33,540,389 as compared with \$32,373,353 for the year 1925 or an increase of 3.6%; also 73.4% greater than the average of the past seven years.

Sales Expense increased 23.2% over the twelve months of 1925 as compared with the Gross Sales increase of 3.6% and the Total Tonnage increase of 5.3%.

The Advertising Expense \$1,068,820, represents an increase of 40.0% over the 1925 expenditure.

The 1926 Sales Expense plus the Advertising Expense equals \$3,562,226, an increase of 27.8% over 1925.

	Percent Sales Expense to Net Sales					
	1926	1925	1924	1923	1922	1921
Excluding Advertising Expense ...	7.6	6.4	5.9	6.3	7.7	8.7
Including Advertising Expense ...	10.9	8.8	7.8	7.8	9.9	9.9

As of December 31, 1926.

Occupation	1926	1926	1924	1923	1922
Salesmen	236	139	142	123	100
Supervisors	21	19	10	9	9
Specialty Salesmen	0	36	18	9	7

Purchased lime shipments for year 1926 were 5561 tons as compared with 6628 tons for year 1926 and represents a decrease of 16.1%.

11495 Rock—The rock tonnage shows a gain of 1% in volume for 1926 as compared with previous year.

This is a decline over the percentage increase for the 9 months, which is due to the difficulties encountered in shipping New Brighton rock to the Lehigh Portland Cement Company which will be overcome during the year.

Our propaganda is slowly taking effect and there is no doubt but we will slowly, but gradually increase our rock tonnage from New Brighton.

Prices show a 1% increase, this due to the transfer of Oakfield business to New Brighton. Prices in general are holding firm.

Stucco—Stucco shows an increase of 5% for the year as compared with the previous year, with price decline of 6%. This price decline is due to meeting competitive quotations and increasing our tonnage.

Stucco Specialties show an increase of 16% for the year as compared with the previous year, with price decline of 1%.

We are meeting German competition in Cuba, Boston and Philadelphia, which will mean lower prices in these markets. We are also forced to meet the lower prices from other New York manufacturers, on account of our aggressiveness and sales.

Neat Wall Plaster—Cement Plaster shows an increase of 3% over the year as compared with the previous year, and a price decline of 3%. The price decline is identical with the showing for the nine months, but the low prices due to the competitive conditions in the Southwest on account of protected tonnage have not shown themselves in the price average.

Although the Southwest and Southeast condition has been somewhat rectified, the prices have declined 12½% which will hold.

We are also facing serious price declines in the larger eastern markets on account of competitive aggression. In the balance of the territories, prices are stable and look for but little declines for the immediate future.

Sanded Wall Plaster—Shows a decrease in tonnage of 14% for the year, as compared with the previous year, with price increase of 1%. Tonnage is holding the same as for the previous quarters with a better outlook on sanded for the coming year.

11496 **Plaster Board**—Shows an increase in volume of 118% with a price reduction of 16%. The campaign on Rocklath is showing consistent increases, the total increase for the year being 110,819,000 square feet. Since the beginning of the year, we have introduced Bundled Rocklath, having shipped 1,000,000 square feet of this commodity in January. This looks like a wonderful opportunity for increasing Plaster Board tonnage.

Sheetrock—Sheetrock shows a decrease of 4% and a price decline of 1% as compared with the previous year. The principal competitive activity is due to the aggression of the National Gypsum Company, who are now starting sales operations in the central territory preparatory to opening their Northern Michigan Mill.

Certainly competition is severe, due to the fact that they have made a price decline of 10% in all markets on both plaster wallboard and plaster board. We have not as yet met this price decline.

The larger markets in the east are being flooded by seconds which are presumably firsts and are changing \$30.00 markets to \$20.00 markets. We are meeting this condition where necessary to hold our establishment, but thereby suffering a loss in sales valuation.

The other competitors manufacturing Plaster Board are starting strenuous advertising campaigns and it has been necessary to increase the sales organization and advertising effort, to counteract these campaigns.

Sterling Board—Sterling board for the year shows 10,400,000 square feet with a sales valuation of \$206,228.00. No sales made in 1925. We are making new gains in Sterling establishment, especially on the Pacific Coast where sales are now running 2,000,000 feet per month.

Gyp-Lap—Gyp-Lap sales for the year are 8,954,000 feet as compared with 5,183,000 feet for previous year, showing 73% increase. Gyp-Lap sales are still a disappointment and we believe that we have finally discovered the sales resistance, which is thickness, weight and dimensions of board, and we are now preparing to ship boards of various dimensions to determine the most practical type of board.

This material has not shown any complaints and has shown a saving wherever used.

11497 ~~Total Board Footage~~ Total board footage shows a gain of 12% for the year with a gain in sales valuation of 3%.

Total Footage for 1925.....	455,690,000
Total Footage for 1926.....	509,018,000
Sales Valuation 1925.....	\$ 12,370,078
Sales Valuation 1926.....	12,711,320

The above figures show conclusively that Sterling and Rocklath sales have increased sales valuation, with a corresponding increase in gross profits over the shrinkage in Sheetrock sales valuation and gross profits.

The future of the board business from a footage and profit depends entirely upon our increase in Rocklath, Sterling and Gyp-Lap, to overcome any shrinkages in Sheetrock valuation and footage.

Partition Tile—Shows an increase of 21% with a price decline of 11%, due to the fact that there are more competitive tile manufacturers aggressively selling and it has become necessary to meet price conditions to increase volume. Tile prices are comparatively firm at the present time and do not look for any local price changes.

Hydrated Finishing Lime—Shows a tonnage increase of 10% and price decline of 4% as compared with the previous year. Prices on finish are becoming more unstable and look for further reduction for the coming year, due to the fact that we are now meeting all competitive prices on account of increased capacity at Genoa.

We are also taking on additional jobbing business at 10% to 12% price reduction.

Masons Hydrated Lime—Shows a decrease in price of 15% as compared with the previous year. The market prices on this commodity were demoralized throughout the year, but are stabilized again at about 10% less than last year's prices.

Textone—Shows an increase in volume of 36% as compared with previous year's sales being 2,414,200 pounds as compared with 1,771,000 pounds.

Textone Net Sales Valuation—1925.....	\$340,586
Textone Net Sales Valuation—1926.....	437,080
Gain 28%	

11498 Oriental Stucco (Finish and Base)—Sales for the year are 17,907 tons as compared with 10,673 tons for the same period of the previous year. Oriental

Stucco has been shipped to every state in the Union and this commodity has now earned its place among exterior stuccoes and we look for very healthy tonnage gains for the coming year. It would be necessary to meet prices in larger cities and to meet the competition of locally manufactured stuccoes to increase our tonnage.

Oriental Sales Valuation—1925.....	\$290,746
Oriental Sales Valuation—1926.....	489,746
Gain 68%	

Plastint—Sales for the year average 3830 tons, with no sales for the previous year.

We have increased dealer establishment and look for a healthy increase for 1927.

This commodity has changed so as to make it possible to both sand float and texture the material and our colors have been intensified, as we have discovered that the previous colors did not suit the popular taste on account of being in pastel shades only.

Pyrocell and Thermofill—Pyrocell sales for 1926 show 2469 tons—Thermofill 1930 tons. We are increasing our sales organization and manufacturing facilities for Thermofill, which will give us a production which should show greater volume for 1927.

General—Our advertising propaganda is showing remarkable results and the work for the month of January enlisting our dealers to support our National Campaign by newspaper advertising has resulted in securing newspaper campaigns from 483 dealers, equivalent to 187 full pages of advertising, using our cut and copy service. 1684 advertising portfolios have been sent to 1684 dealers and this will undoubtedly minimize the effect of competitive advertising campaigns and give the dealers a greater appropriation of advertising propaganda.

The sales force recommended in last report, to sell materials to the job is now working and promises good results. The increase in Rocklath in the larger cities can largely be contributed to the work of these men and as the season opens up, similar returns should be made on our other specialties.

From present indications, business should hold up for the first six months with continuous decline in prices; proportional to our sales aggression.

CFH:KO

C. F. HENNING,
Vice-Pres. in charge of Sales

11499 *Government's Exhibit No. 617***Report of Sales Department—First Quarter 1927.**

MR. S. L. AVERY,
President,
Office.

Shipments comparing the first three months of 1927 with same period 1926 as follows:

Commodity (Incl. F.P.)	1927	1926	Comparison
Total Tonnage	606,374	568,875	G 6.6%
Bag Tonnage	390,111	368,783	G 5.8%
Unmixed Tonnage	65,228	67,787	L 3.8%
Lime Tonnage	27,182	26,267	G 3.5%
Textone Poundage	815,097	510,304	G 59.8%
Sheetrock, Sheetrock Seconds & Sterling Board Footage....	91,275,000	86,786,000	G 5.2%
Rocklath Footage	31,597,000	20,104,000	G 57.1%
Partition Tile Footage	5,827,000	4,802,000	G 21.4%

Gross sales for the first three months 1927 were \$7,472,640 as compared with \$7,019,639 same period last year or an increase of 6.4%, also 65.1% greater than the average for the first quarter of the previous seven years.

Sales expense increased 20% over first quarter 1926 as compared with a gross sales increase of 6.4% and Total Tonnage increase of 6.6%.

The Advertising Expense \$256,774 represents an increase of 19.9% over three months of 1926.

The combined Sales and Advertising Expense, \$993,030 for first quarter 1927 is 20% over 1926 expenditure, same period.

	Percent Sales Expense to Net Sales—3 Mos.					
	1927	1926	1925	1924	1923	1922
Excluding Advertising Expense ...	10.0	8.9	6.6	7.3	9.2	9.8
Including Advertising Expense ...	13.5	12.0	8.0	9.2	10.2	13.3

Field Employees, as of March 31.

	1927	1926	1925	1924	1923	1922
Salesman	246	172	144	139	105	93
Supervisors & City Managers...	28	21	10	9	9	4
Specialty Salesman	0	59	20	10	9	7

Purchased lime shipments for three months 1927 were 1224 tons as compared with 1531 last year or a decrease of 20%.

11500 **Rock**—The rock tonnage shows a 2% increase in volume for the first quarter, of 1927, as compared with the previous year. We are successfully overcoming the objections to New Brighton rock and with the further decrease in price, have been able to contract with larger users for the year.

Prices show a 5% decrease. This due to our voluntary decrease in price on New Brighton rock and also to price cuts by Certainteed in the Southwest and Grand Rapids areas, and new independent companies now offering crushed rock.

Stucco—Stucco shows a 31% decrease for the quarter, as compared with the same quarter of previous year, with a price increase of 2%. Certainteed at Grand Rapids—National at Oakfield, are making a drive for stucco at lower prices.

Stucco specialties show an increase of 7% for the quarter as compared with the quarter of the previous year, with a price decline of \$3.00.

Neat Wall Plaster—Cement plaster shows an increase of 6% for the quarter as compared with the quarter for previous year, with a price decline of 2%. Competition is aggressive in all territories and the smaller companies are offering inducements on large jobs and larger companies are offering large dealers and users price inducements.

Sanded Wall Plaster—Shows an increase in tonnage of 2% for the quarter, as compared with same quarter previous year, with a price increase of 5%.

Plaster Board—Shows an increase in volume of 57% with a price reduction of 4%. The campaign on Rocklath is showing consistent increases. The total increase for the quarter being 11,491,000 square feet. Competition is meeting our Rocklath Campaign with cut down wall-board at lower prices.

Sheetrock and Sterling—Sheetrock and Sterling show a decrease of 5%, with a price decline of 2½% as compared with the same quarter previous year. We are still confronted with the problem of the National Company selling mixed cars of firsts and seconds averaging \$25.00 for their board and also disastrous Certainteed competition, offering board at any price to get the initial order.

With the use of the folded edge, Beaver and Universal have increased sales and advertising aggression, and lower prices on lath and plaster are also restricting Sheet-rock sales. The problem now is to hold the present rate of sales and we are confronted with both a decrease in price and volume.

GypLap—GypLap sales for the quarter—1,434,000 11501 feet as compared with 2,033,000 feet for the same quarter previous year, showing a 30% decrease.

GypLap is a disappointment, but believe that a proper field study of price and dimensions should make this product more salable.

Total Board Footage—Total board footage of all kinds shows a gain of 13.6% for the quarter with a gain in sales valuation of 7%.

Total Footage three months 1926—108,604,000 feet.

Total Footage three months 1927—123,409,000 feet.

Net Sales Valuation three months 1926—\$2,827,658.00.

Net Sales Valuation three months 1927—\$3,018,320.00.

Although total board sales are greater than last year with greater sales valuation, the result in profits will not be proportional because losses in Sheetrock at \$30.00 are substituted by sales in Rocklath at \$15.00.

Partition Tile—Shows an increase of 21%, with a price decline of 25%.

The increased activity of competitive tile manufacturers is causing tile to be sold at an extremely low level and with the large over production of tile, there is little hope of price advances, although prices at the present time are comparatively firm.

Practically every factor in the plaster business is now producing tile and in addition, a number of small independent companies are also engaged exclusively in tile production.

Hydrated Finishing Lime—Shows a tonnage increase of $4\frac{1}{2}\%$ and price decline of 1.3% as compared with same quarter previous year.

Prices on Finish Hydrate are comparatively stable, but Masons Hydrate prices are still demoralized.

Textone—Textone shows an increase in volume of 60% as compared with the same quarter previous year, sales being 815,097 pounds as compared with 510,304 pounds.

Textone net sales valuation three months 1926—\$ 96,554.00.

Textone net sales valuation three months 1927—\$143,835.00.

Showing a gain of 49%.

Oriental Stucco Finish and Base—Sales for first quarter 2266 tons as compared with 2608 tons same period 1926. The decrease in tonnage is satisfactory, due to the extremely rainy weather and there is no doubt but 11502 what Oriental should show rapidly increasing sales.

Oriental sales valuation three months 1926—\$75,971.00.

Oriental sales valuation three months 1927—\$63,614.00.

Loss—16%.

Plastint—Sales for three month 1927—793 tons, as compared with 351 tons three months 1926—a gain of 126%.

Pyrocell and Thermofill

Pyrocell for three months 1926—290 tons.

Pyrocell for three months 1927—290 tons.

Thermofill sales three months 1926—129 tons; three months 1927—563 tons.

We find a gradually limiting field for the sale of Pyrocell, due to the fact that wet mixtures cause difficulties under humidity conditions.

Our experience with Thermofill make us realize in this commodity a very valuable addition to our sales line and the tonnage should increase with its more general introduction and use.

General—The advertising campaign with Sheetrock dealers made a remarkable showing by securing 1856 dealers to co-operate with newspaper advertising, resulting in securing 681½ full pages of advertising, using our cut and copy service, equivalent to full pages or 1,546,834 lines.

The sales organization of specialty men to sell the full line on jobs is coming along as rapidly as can be expected, and in markets where these men have had three or more months actual selling experience, the results are gratifying, showing that intensified selling on jobs means introduction and sale of our specialties in larger and more profitable quantities.

General Competitive Conditions

Atlantic Sea Board—The Atlantic Gypsum Company operating a plant in New York City and a plant at Portsmouth, Mass., is active competition on full line of wall plasters and wallboard, manufacturing later at their Portsmouth Plant. Although they are holding the general price on wall plasters and No. 1 wallboard, they are introducing No. 2 wallboard at \$20.00 into a large number of markets where No. 2 wallboard has not previously been sold.

The Pennsylvania Gypsum Company at Chester, Penn., is actively marketing plaster products, gypsum tile and are selling wallboard manufactured by the Universal Company at Akron. The plaster prices in the Metropolitan areas have degenerated to \$7.00 Oakfield with the manufacturers making further concessions where necessary to get the business, The Pennsylvania Gypsum Company is demoralizing the Philadelphia and adjacent markets by cutting prices and delivering plaster block to the job at carload prices.

In Metropolitan, New York, Tompkins Brothers, Kelley Plaster & Board Company and Structural Gypsum Company are demoralizing the plaster and tile markets by delivering to the job by truck at carload prices.

White plaster prices are being reduced by competitive activity of the Newark Plaster Company in Metropolitan New York and prices have been lowered in Boston and Philadelphia through the introduction of German Plaster. To meet this competition, it will be necessary to make further investments in storage ware houses.

The Certainteed Company are shipping into the Sea Board markets from their Texas mill, offering wallboard regularly at \$3.00 less than our delivered price and making a special offer to secure new dealers at \$6.00 below this price on the first introductory car and larger dealers are taking three carloads at this lower rate, which is in reality a cut of \$9.00 below our price.

The American Cement Plaster Company and Universal Companies are observing market prices, while the National is still offering mixed carloads of firsts at \$25.00 and firsts billed as seconds at \$30.00, averaging \$25.00 per thousand on the carload.

Price conditions on plaster products are such that prices vary from \$6.00 to \$9.00 per ton, with no uniformity or stability, with possibility of reduction to lower mill base.

Every plaster manufacturer in this district is either making or distributing both plaster board and wallboard and can now parallel our mixed car service.

Oakfield District—The National Gypsum Company is in full operation and aggressively selling plaster products, stucco, wallboard and crushed rock. They have offered stucco as low as \$5.00 per ton on 10,000 tons contract basis, are now aggressively selling plaster board in small markets where formerly they could not reach, owing to the mixed car service, but are now manufacturing plaster products and can also give this service.

National Gypsum Company has secured some orders on crushed rock at presumably a lower price.

The Empire Gypsum Company is increasing its activity on plaster products, selling at lower prices, especially on large job operations, becoming very aggressive on block sales since entering into block manufacture.

Niagara Gypsum Company although inactive in the past on wallboard is now aggressive in the sale of cut down seconds for plaster board at lower prices than Rocklath and are making a drive on special jobs at lower prices.

The Beaver Products Company have, since their increase in block production, aggressively entered 11504 Metropolitan markets and established dealers who are demoralizing the retail situation.

Universal Gypsum Y Lime Company is especially active in Metropolitan New York and other large markets, and are using their lime sales to increase dealer establishment and have increased their organization for wallboard sales.

The Oakfield Gypsum Products Company is extending its sales of neat and sanded plaster. They formerly sold their entire output to their stockholders for mixing plant purposes but are now entering the dealer field.

The Atlas Rock Company, a subsidiary of the Atlas Portland Cement Company are now actively engaged in the sale of crushed rock to other Portland Cement Companies and has been successful in securing the requirements of a number of concerns.

Every plaster manufacturer in this district is either making or distributing both plaster board and wallboard and can now parallel our mixed car service.

Ohio District—The American Gypsum Company is extending the sale of wallboard into markets outside of its logical area, and is demoralizing the wallboard business by offering seconds in markets where formerly only firsts were sold. They are without a connection for the distribution of wallboard in the southeast since the purchase of the Southern Gypsum Company by the Beaver Company and are now making mixed car shipments from their Gypsum, Ohio mill into this territory, which was formerly served from Plasterco. This concern is also aggressive in the sale of block through the entire territory it operates.

Every plaster manufacturer in this district is either making or distributing both plaster board and wallboard and can now parallel our mixed car service.

Michigan District—Certainteed Products Company has improved the quality of its plaster and stucco and is still aggressively selling at a dollar or more less than the market, not only in its logical territory, but reaching out farther. They are shipping board from their Texas plant to Grand Rapids and are able to serve mixed cars of board and plaster. Their wallboard is offered regularly in both mixed and full carloads at \$3.00 off of our list price plus exceptional inducements for trial orders to new dealers.

Certainteed has lowered the price on crushed rock in its endeavor to secure new establishment. They are selling as low as \$6.00 to increase their stucco establishments.

The National Gypsum Company plant north of Alabaster is about ready to operate. In the meanwhile, the National Company has put forth an aggressive sales program into the territory for distribution from this mill and is serving the dealers already secured on the mixed car
11505 first and seconds campaign from their New York mill. If this plan goes into operation, there will be a further demoralization in the wallboard market.

Michigan Gypsum Company is again active in both rock and plaster at reduced prices and have lowered our rock basis at Grand Rapids 25¢ a ton.

Every plaster manufacturer in this district is either making or distributing both plaster board and wallboard and can now parallel our mixed car service.

Fort Dodge—The Federal Gypsum Company is under new management and is making better products. They are consistently \$2.00 below the market price, are not yet affecting dealer trade, but securing their business largely on large jobs. They are using cut prices to secure stucco and rock business and have been successful.

The Cardiff Gypsum Company is still \$1.00 under the market on both dealer and large job sales throughout the entire area in which it operates.

Certainteed is offering board from Texas mill into this area on the same basis as any other areas.

The Interstate Tile Company manufacture gypsum tile at Joliet, Illinois from synthetic gypsum and are offering tile at low prices in the Chicago area. Both National Gypsum Company from their New York Plant and the American Gypsum Company from their Port Clinton Plant are offering seconds in Chicago and the Twin Cities, thus replacing \$30.00 board with \$20.00 board.

The Wassen Company is active in tile business at low prices and is after small dealer trade account general business depression.

Universal Gypsum Company is now making folded edge wallboard at Fort Dodge and has increased sales and advertising organization to push same. They are aggressive on mixed car shipments to smaller markets and on tile sales at lower prices in larger markets.

The Beaver Company also is manufacturing folded edge board at Fort Dodge with similar activity in sales and advertising on board, mixed cars and blocks.

On account of continued depression in the western agricultural sections, all Ft. Dodge manufacturers are extending sales activities into eastern territories thus aggravating over production conditions already existing, and are demoralizing price conditions in territories where they have no dealer establishment by selling jobs at dealer prices.

Certainteed is demoralizing the Ft. Dodge area by offering wallboard and plaster board at \$3.00 off market with special inducements for initial orders.

Every plaster manufacturer in this district is either making or distributing both plaster board and wallboard and can now parallel our mixed car service.

11506 Plasterco—Since the merging of the Southern Gypsum Company with the Beaver Products Company, this plant is producing better and more uniform material and is more aggressively sold by the Beaver Products Company's larger sales organization. This applies also to board shipped in from their Grand Rapids Plant, thus giving Beaver a mixed car proposition from their Saltville mill. Beaver is also aggressively selling tile from this plant.

Texas District—Certaineed wallboard plant is now in operation, and they are selling through their entire sales organization at \$3.00 less than price that we offer on wallboard in any area of the United States. Their sales program reaches from the Atlantic to the Pacific and from Canada to the Gulf of Mexico. In addition to the \$3.00 cut in price, they are making a special reduction of \$6.00 on first car to any new dealers and allowing larger dealers three cars on this basis. We have traced orders netting them as low as \$13.00 fob their plant on No. 1 board, but understand that their stop price is around \$18.00. They are also offering plaster board at \$3.00 off our regular price, and we are losing both No. 1 and No. 2 business to this concern and they have affected our plaster business somewhat by the lower price inducement on their wallboard in mixed cars.

Since the Universal is making folded edge wallboard at Rotan, they are very aggressively selling this commodity throughout their entire territories.

Crushed rock prices have been reduced by the Certaineed Company in Texas, trying to secure new establishment, they have been unsuccessful in their tonnage attempts, as we have met their prices which has resulted in a general lowering of mill base.

The Texas Cement Plaster Company is now licensed to manufacture the square folded edge and we can look for more aggressive competition from this concern, which will affect our mixed car shipments.

Although plaster prices have reacted from a \$4.00 level to \$7.00 level, the larger markets such as Kansas City,

New Orleans, Atlanta, Birmingham have sufficient protected tonnage so that we will be shipping low priced plaster for the next three or four months to come.

In Florida, the jobbers have protected themselves to such an extent that the market has not reached to the higher level.

The Gulf Gypsum Company at Falfurrias, Texas is again in active operation on crushed rock.

The Atlas Portland Cement Company is soliciting crushed rock from their plant in Oklahoma.

Every plaster manufacturer in this district is either making or distributing both plaster board and wallboard and can now parallel our mixed car service.

Laramie District—Although business is practically dormant, all companies are aggressive and the Certainteed Company is affecting our mixed car business on account of the low price of their board in shipments of dark plaster from their Laramie Mill. We also find that the jobbers in the mountain states are selling Certainteed wallboard at lower prices and the smaller gypsum plants in this area are selling plaster at lower prices.

Every plaster manufacturer in this district is either making or distributing both plaster board and wallboard and can now parallel our mixed car service.

California District—Due to the extensive over production, this market is completely demoralized. Plaster in Southern and Northern California, although normally at a \$7.00 mill base is being offered as low as \$5.50 and plaster board has recently been reduced in price from \$24.00 per thousand to \$16.00, with a corresponding 10% reduction on wallboard. Due to competitive relationships such as Portland Cement purchases by Blue Diamond Company from the Riverside Portland Cement Co., and with the relationship between the Portland Cement Companies, it was necessary to reduce our price on crushed rock from \$3.00 to \$1.50 per ton to retain our business. The low price on plaster board and wallboard also applies to Washington and Oregon, although at present, there is no further price reduction in plaster. Shipments from these areas net us as low as \$3.80 at Loveland.

Attention must be called to the general competitive situation in the building material industry. Due to the extreme demand during the large building program, new materials have been evolved which substitute older materials and old type materials have found new uses.

We see increased activity on the part of all competitive building material industries to hold present consumption, to regain lost establishment and use and to create new uses and substitution through Association activities by means of sales work, advertising and through work with building departments and codes. We also find that we are meeting greater restrictions in sales, due to more rigid enforcement of building codes and regulations.

We find our Sheetrock establishment and use assailed by use of materials of greater insulation value, such as Celotex, Masonite, Insulite, etc. This also applies to plaster board where these insulating boards are being used because of their insulating value. The Lime industry is working on establishing mixed mortar plants in the larger cities with some success.

The metal lath industry is concentrating on better plastering and is restricting sales of plaster board through code regulations and enforcement.

The Clay Tile and Brick and Portland Cement industries are spending more money in sales and advertising promotion. The lumber industry has just appropriated five million dollars for a campaign to regain their business in a fight against lumber substitutes.

Incidentally, Union activities are also playing a 11508 more prominent part in our sales restrictions.

Considering the activities of competitive industries, it may also be necessary for our company and our industry to meet these changed conditions and competitive industrial activities by similar expenditures for industrial advertising and promotion.

In conclusion, we face lower prices and lower tonnage, and these can somewhat be mitigated by increased sales of our newer commodities, but it is not reasonable to presume that with the principle activity centered on wallboard that wallboard profit losses can entirely be counteracted by increased specialty sales profits.

C. HENNING,

Vice-Pres. in charge of Sales

CFH:KO

11509 *Government's Exhibit No. 618***Report of Sales Department—First Half 1927**

MR. S. L. AVERY,
President,
Office.

Shipments comparing the first six months of 1927 with the same period of 1926 as follows:

Commodity (Incl. F.P.)	1927	1926	Comparison
Total Tonnage	1,353,280	1,358,640	L 0.2%
Bag Tonnage	855,356	861,154	L 0.5%
Unmixed Tonnage	188,118	186,421	G 0.9%
Lime Tonnage	82,076	60,620	G 2.5%
Textone Poundage	1,755,380	1,115,386	G 57.4%
Sheetrock Footage	169,699,000	192,211,000	L 11.8%
Sterling Board Footage	10,118,000	2,829,000	G257.8%
Rocklath Footage	76,887,000	52,934,000	G 45.4%
Partition Tile Footage	11,002,060	11,423,000	L 3.5%

Gross sales for the first six months of 1927 were \$16,046,465 as compared with \$16,437,640 for the same period last year or a decrease of 2.4% but 49.1% greater than the average for the first six months of the previous seven years.

Sales expense increased 20.0% over the six months of 1926 as compared with the gross sales decrease of 2.4% and total tonnage decrease of 0.2%.

The Advertising Expense \$506,074.96 represents a decrease of 5.7% of the 1926 expenditures same period.

The first half 1927 Sales Expense, plus the Advertising Expense equals \$1,983,719.48, an increase of 11.1% over the first six months of 1926.

	Percent Sales Expense to Net Sales					
	1927	1926	1925	1924	1923	1922
Excluding Advertising Expense						
(Six Months)	9.4	7.6	6.1	6.1	6.8	8.5
Including Advertising Expense						
(Six Months)	12.6	11.0	8.5	7.8	8.2	11.5

Field Employees as of June 30th

	1927	1926	1925	1924	1923	1922
Salesmen	254	172	153	138	105	100
Supervisors & City Managers	34	21	11	9	9	9
Specialty Salesmen	0	60	21	12	8	10

Purchased lime shipments for six months 1927 were 2071 tons as compared with 2988 tons six months last year or a decrease of 30.7%.

11510 Rock—Rock tonnage shows an increase of 9679 tons,—6.7%. This increase is largely due to the success of the introduction of New Brighton rock. However, we are suffering decreases at other mills due to new competitive plants now in operation.

In the Oakfield district the Atlas Portland Cement Co., are furnishing rock to their own plants and have taken away not only this tonnage, but that of other cement companies. They are also shipping their own plants in the southwest and southeast from their Wautonga, Oklahoma rock crushing plant, and are also furnishing other Portland Cement companies whom we formerly supplied.

The National Gypsum Company is after crushed rock business from both their Oakfield and northern Michigan plants. They have secured two of our former customers and thus have caused us generally to reduce prices about 35¢ per ton in Michigan.

We have lost the Texas Portland Cement Company to the Gulf Gypsum Company at Falfuras, Texas. There is also being promoted a gypsum rock crushing plant near Houston, Texas, in which the Texas Cement Companies are interested.

The Centerville Gypsum Company has become aggressive in the sale of crushed rock and are making lower prices than heretofore, and taking advantage of the lower freight rates in the area they serve.

We are making a drive to regain lost accounts and establish new accounts which will increase our tonnage, but will reduce the selling price on all customers we serve.

Price of rock is off 7%.

Stucco—Stucco shows a decrease of 19.4%. Part of this loss is due to the fact that in the spring of 1926 we served the stucco requirements of the Rock Plaster Company when they were repairing their mill. The balance of the loss is due to National and Certain-Teed sales to our trade at prices from \$1.00 to \$2.00 per ton lower than our prices.

Bulk stucco price is off 8.7%.

Within the last month we have been successful in securing a number of our old accounts. We are meeting all competition at competitive prices for this business.

Stucco Specialties—the sales are approximately the same as the previous year.

We have lost no accounts and we can increase this tonnage.

Neat Wall Plaster—Neat Wall Plaster shows a decrease of 2.3%.

Competition is aggressive in all territories and prices are generally demoralized. Large jobs are being sold from \$1.00 to \$3.00 under the former market price and practically all large cities are below our mill base.

11511 In the Metropolitan New York all up-state competitors are selling 50¢ below our price, netting them \$6.50 Oakfield. It is our intention as soon as New Brighton needs tonnage to meet existing prices. Pennsylvania Gypsum Company and National are offering plaster at \$1.00 below our price with as yet no success.

Washington, D. C., is on a \$6.50 Oakfield base; Philadelphia \$6.00; Baltimore, \$6.50; and Boston \$7.00 with specific jobs from 50¢ to \$1.00 below these prices.

The small country territories are holding at generally \$8.00 and \$9.00 with the exception that specific jobs which are quoted \$1.00 under.

In the central states larger markets are generally \$1.00 below our \$9.00 mill base, with National and Certain-Teed offering plaster generally from \$1.00 to \$2.00 less.

In the Fort Dodge area Cardiff and Centerville are exceptionally active at \$1.00 to \$2.00 below our market price and all large jobs at \$2.00 off.

The southwest and southeast are slowly slipping back to the \$4.00 price which was put in effect by the Texas Company last spring. The large cities such as Kansas City, St. Louis, Memphis, New Orleans, Houston, Dallas, San Antonio and Fort Worth have ample protection on \$4.00 or \$5.00 to last them the balance of the year. In the smaller towns we are generally on a \$7.00 base, but we find Certain-Teed and Texas selling for immediate shipment at prices lower than ours.

The Pacific situation shows no signs of improvement and our prices have been reduced another 50¢ a ton to meet the Blue Diamond competition who were delivering on the job at our dealers wholesale f. o. b. car prices.

Our policy is not to lose any business, and we are meeting any and all competition to protect and increase establishment and tonnage. At the present rate there is no doubt but what lower mill basis will prevail at all shipping mills.

Sanded Plaster—Sanded Wall Plaster shipments show a decrease of 3.8%. The competitive conditions in Sanded, from a price standpoint are not as extreme as Neat Plaster competition. Our principal losses are in Detroit and Cleveland, largely due to the decline in building and the wider use of Neat on larger jobs.

Plaster Board—Plaster Board shows an increase in footage of 45.4% with a price reduction of 2%. The campaign on Rocklath is showing consistent increases in the towns where introduced and adopted and there is no doubt that this business will continue to grow.

The total increase for the half year was 24,000,000 feet. Competition is meeting Bundled Rocklath with cutdown wallboard bundled at lower prices.

11512 **Sheetrock and Sterling**—Sheetrock and Sterling show a decrease of 7.8% with a price decline of 2%.

Certain-Teed is more aggressive than in the past and are selling board at practically any price in order to get establishment and tonnage.

The National Company is operating its plants in the Oakfield and Michigan districts to capacity and are offering mixed cars of #1 and #2, both the same grade, averaging \$25.00 per thousand.

We are meeting board competition by regaining customers lost to the National on price and are meeting Certain-Teed by the introduction of Sterling Board at \$25.00 mill with freight based on 1250 lbs., which reduces the price approximately \$6.50 to the dealer. This policy has not been in effect long enough to determine its success, but where it has been used if it has not secured the business it has caused Certain-Teed to reduce their price \$3.00 below the Sterling delivered price.

Gyplap—For the half year sales show a decline of 33.8%. We have not as yet discovered the causes of sales resistance of Gyplap and are experimenting with various sizes,

thicknesses and price to develop the proper board which should sell.

Total Board Footage—Total board footage of all kinds show a gain of 2.8% for the half year with a loss in sales valuation of 3.8%.

Total footage for six months 1926.....	253,158,000
Total footage for six months 1927.....	260,139,000
Net sales valuation six months 1926.....	\$6,481,691
Net sales valuation six months 1927.....	\$6,237,943

Partition Tile—Partition tile shows a decline of 3.5% with a price decline of 14.6%. Practically all gypsum manufacturers are now selling tile and a number of manufacturers in anticipation of large business stocked their yards with tile and are offering these at extremely low prices to move before fall so as not to carry over the winter.

We believe that we can hold tonnage for the balance of the year equal to the previous year by meeting competition.

Hydrated Finishing Lime—Hydrated Finishing Lime shows a decrease of 1.1% and price increase of 3.5%. Prices on Hydrated Finishing Lime are stable with the exception of the larger markets and we are increasing our business by meeting existing prices.

Textone—Textone shows an increase of 57.4% as compared with the same period for the previous year, sales being 1,755,380 lbs. as compared with 1,115,386 lbs.

Textone net sales valuation 1926—\$208,158 (6 months)
Textone net sales valuation 1927—\$310,542 (6 months)
or a gain of 49.2%.

Oriental Stucco, Finish and Base—Sales for the first half of 1927, 7839 tons as compared with 8855 tons. The decrease in tonnage is due to price competition on other, colored stuccos manufactured locally by such companies as the California Stucco Company or by plants operated in larger cities by the dealers.

We are meeting these specific conditions and believe a lower selling price on Oriental will result in greater sales, and that this business should revert to us.

Oriental is extremely popular and its quality and workmanship is superior to any other material.

Plastint—Sales for six months, 1927, 2250 tons, a gain of 48.4%.

Plastint is growing in distribution and this material offers greater tonnage possibilities than Oriental.

Pyrocell and Thermofill—Pyrocell shows a decline of 21.5%. This decrease is due to the fact that we are limiting the field of sales as our material has not been entirely satisfactory for the purposes intended, but believe the new formula just evolved should overcome our past difficulties and give us a healthy tonnage on this commodity.

Thermofill sales for the six months, 1966 tons, as compared with 452 tons during same period last year, or a gain of 435%

Our experience to date convinces us that we have in Thermofill a real insulating material which will develop into large tonnage and help fill the present demand for home insulation.

We are revamping our sales and advertising policies for the sale of Thermofill.

11514 General—We have eliminated, with the exception of the Saturday Evening Post and Country Gentleman (where contracts made it impossible), our advertising for the balance of the year and we are making a drive for better results on direct advertising which should result in considerable saving.

Sales organization is functioning having eliminated a large number of men who could not meet the present competitive conditions.

In general the men hired in the spring to sell direct on jobs in the larger cities are working out to the advantage of the company and the policy is helping hold our establishment as well as to introduce new materials.

We find that due to the extreme competitive conditions on all our commodities that the regular line men do not have very much opportunity for promotional work as their entire time is taken up in holding and regaining our accounts.

In general, we are going through a keen competitive fight with an over-production in all lines and competitors

offering all commodities at lower prices to get tonnage and establishment.

Instead of a policy of stabilization on our part we are aggressively meeting all conditions on all commodities.

CHS:JR

C. HENNING,
Vice-Pres. in Charge of Sales.

11515 *Government's Exhibit No. 619*

Report of Sales Department—1927

MR. S. L. AVERY,
President,
Office:

Shipments comparing the year 1927 with 1926 as follows:

Commodity (Incl. F. P.)	1927	1926	Comparison
Total Tonnage	2,783,573	2,877,402	L 3.3%
Bag Tonnage	1,708,372	1,817,318	L 6 %
Unmixed Tonnage	447,490	421,683	G 6.1%
Lime Tonnage	129,997	127,557	L 5.2%
Textone Poundage	3,734,037	2,414,244	G 54.7%
Sheetrock Footage	309,795,000	369,390,000	L 16.1%
Sterling Board Footage	21,821,000	11,151,000	G 95.7%
Rocklath Footage	178,526,000	122,108,000	G 46.2%
Partition Tile Footage	19,707,000	21,777,000	L 9.5%

Gross sales for the year 1927 were \$31,699,404 as compared with \$33,540,389 for 1926, or a decrease of 5.5% but 38.1% increase over annual average for past seven years.

Sales expense increased 6% over 1926, as compared with the gross sales decrease of 5.5% and total tonnage decrease of 3.3%.

The Advertising Expense \$846,268 represents a decrease of 20.8% of the 1926 expenditures.

The 1927 Sales Expense, plus the Advertising Expense, equals \$3,490,077, a decrease of 2% from 1926.

Percent Sales Expense to Net Sales

	1927	1926	1925	1924	1923	1922
Excluding Advertising Expense ...	8.5	7.6	6.4	5.9	6.3	7.7
Including Advertising Expense ...	11.2	10.9	8.8	7.8	7.8	9.9

Field Employees as of December 31.

	1927	1926	1925	1924	1923	1922
Salesmen	247	236	175	160	132	107
Supervisors and City Managers..	30	21	19	10	9	9

Purchased lime shipments for 1927 were 3,377 tons as compared with 5,561 tons last year, or a decrease of 39.3%.

11516 The competitive conditions outlined in my last report have become more keen and aggravated. The price conditions anticipated and the price declines recommended are now a reality. There is not a commodity nor an area which is not now highly competitive. Prices in some areas have gravitated as low as cost. Following our recommendation in our last report, we are meeting any price made by any competitor on any commodity in order to hold and increase our establishment. It was necessary on January 20 to announce a reduction of \$5.00 per thousand on Sheetrock to meet price concessions and lower prices offered by our competitors. It was also necessary to introduce and offer a subgrade board—Crown Wallboard—at a mill price of \$20.00 per thousand, or ten dollars less than our regular Sheetrock price. This drastic policy of price decline was absolutely necessary in order to stabilize the market and to make it possible for us to meet competitive conditions.

It was also necessary to decrease our prices in the Northwest mountain area \$5.00 per thousand to meet lower prices put in effect by Perfection Wallboard Company and Certainteed.

We also inaugurated the consignment plan after the Sales Meetings, which is showing some signs of success, having signed up as of February 1—230 contracts with dealers.

An estimated shrinkage in prices on the basis of same business secured last year on the new prices shows \$2,087,000, but we hope with the above plan to increase our volume to overcome this somewhat.

Rock—Rock tonnage shows an increase of 11.7% and a price decrease of 11.9% as compared with last year, due to increased shipments from New Brighton. Anhydrite rock from New Brighton is now accepted by nearly all the cement producers in the seaboard field and this tonnage ought to increase at least 50% during 1928.

With the exception of shipments from Oakfield and New Brighton, there is price competition for crushed rock business in all areas. Prices have gradually declined and

it was necessary to reduce prices to \$1.60 per ton at Alabaster, meeting National competition; at Ft. Dodge meeting National and Atlas Portland Cement competition; and \$1.60 Southard meeting Certainteed and Atlas Portland Cement competition.

We look for lower prices on crushed rock at all producing points.

Stucco—Stucco shows a decline in tonnage of 24.5% with a decrease in price for the year of 1.5%. For the last quarter decrease in price as compared with the same quarter last year shows 3% decline. Competition has been unusually severe on stucco. The National Gypsum Company, Certainteed, and Centerville, have reduced prices to our principal plate glass and terra cotta accounts to \$4.50 per ton from Oakfield, Grand Rapids, Ft. Dodge, and Alabaster mills. We have lost several accounts, but feel sure that we will regain them.

11517 Stucco Specialties—German competition has decreased prices in Boston and Philadelphia and in addition the Pennsylvania Gypsum Company and Atlantic Gypsum Company have lowered the stucco specialty price on the Atlantic Seaboard. We have practically lost our Cuban business due to inability to meet their low prices.

Centerville Gypsum Company in the Western area has been making a drive on white goods, due to low plaster prices. We look for further reduction on white plaster.

Neat Wall Plaster—Neat wall plaster shows a tonnage decrease of 7.3% and a price decrease of 2.7%, as compared with 1927. In the Metropolitan New York area we are now selling on a \$5.00 mill base, the price having declined 50¢ since the last quarter. Boston, Philadelphia, Washington, and Baltimore are now on \$5.50 mill base and the general Oakfield mill base for specific jobs and larger city tonnage of the territory is on an average \$6.00 level with country tonnage at \$7.00.

In the central area Certainteed is maintaining its \$5.00 Grand Rapids mill base and making special offerings of \$4.00 to get the dealers' business. National is meeting Certainteed prices and as a consequence the large markets, Detroit, Cleveland, & Pittsburgh, are now on \$7.00 and \$6.00 bases. Due to the activity of National and Certainteed in the Chicago area, the price has been reduced to \$5.70

Ft. Dodge from \$8.00. Cardiff and Centerville are generally \$2.00 below our \$9.00 price in the Western area and Minneapolis has been reduced from \$9.00 to \$8.00 on account of competitive lower prices. It will be only a short time until the entire central and western areas will be on a \$7.00, if not \$6.00, base.

The Southwest and Southeast have degenerated from a \$5.00 market at the last Directors' Meeting, to a general \$3.50 market, plaster being offered as low as \$3.00 for bulk tonnage for specific jobs. Some plaster has been sold by Texas Company as low as \$2.50 and \$2.00 mill on contract tonnage and offered at these prices to secure mixed car board business. The \$3.50 price is general for the states of Kansas, Missouri, Arkansas, Texas, Mississippi, Louisiana, Tennessee, Georgia, Alabama, and Florida.

In the Plasterco Area the larger markets have gravitated from \$9.00 to \$8.00 and the general mill base has been reduced to \$9.00. Specific jobs are sold as low as \$6.00.

The Laramie district has just been reduced from \$8.00 to \$5.00 by Certainteed. This will cause us considerable losses meeting this price in shipments from Piedmont and our dark plaster mills.

The Pacific Coast shows no signs of improvement, prices being the same as last quarter.

11518 Sanded Plaster—Sanded Plaster tonnage has declined 4% and the price shows a decrease of 2.3%. Prices are demoralized in the Oakfield area, due to local sanded plaster plants and the Oakfield producers offering low priced tonnage.

The Detroit market has been reduced \$2.00 per ton, but Cleveland and Milwaukee are holding fairly well. There will be lower prices on sanded plaster at all producing points, due to the fact that with the low prices on neat it is necessary to further reduce sanded prices in order to equalize with neat plaster prices.

Plasterboard—Plasterboard shows an increase of 46.2% with price reduction of 3%. The total increase in footage for the year was 56,418,000 feet. Competition is quoting lower prices in larger markets, as they cannot sell their open edge bundled board at the same price as the folded edge Rocklath. We are not meeting these prices, however.

Competition is not seriously interested in plasterboard, simply making price concessions to hold their establishment. The gains made in 1927 should be increased in 1928.

Sheetrock & Sterling—Sheetrock and Sterling show a decrease of 12.9% with a price decline of 1.6%. We were successful during the last quarter in regaining a great number of accounts taken by National and Certainteed by price concessions. Certainteed competition has not abated, but with our new policy and lower price on Sheetrock and Crown and with the consignment plan, our business is being materially increased.

Due to Crown board, we are able to regain lost establishment and protect our mixed car business against competition.

Gyplap—For the year Gyplap shows a decline of 28.6% as compared with 1926. We are hopeful for increased footage and valuation on Gyplap, due to the change in size and concentration in markets where Gyplap business is available.

Total Board Footage—Total board footage of all kinds shows a gain of 1% for the year with a loss in valuation of 6.3%.

Total footage for the year 1926 was	511,620,000 ft.
Total footage for the year 1927 was	516,544,000 ft.
Net sales valuation for 1926.....	\$12,756,781
Net sales valuation for 1927.....	\$11,954,368

Partition Tile—Partition tile shows a decline in volume of 9.5% with a price decline of 11.2%. Competitors have not succeeded in moving large stocks on hand and are offering tile practically at cost in all areas which we are meeting wherever advisable to hold our establishment. Jobs below cost we are letting competitors have.

Hydrated Finishing Lime—Hydrated Finishing Lime has generally declined \$1.00 per ton in price since last quarter. Hydrated finishing lime shows a decrease of 9.7% in volume with no appreciable price change. There has been a general price reduction of \$1.00 per ton, and prices in the larger markets, due to increased competition and new factors in the business, are unstable. We are meeting these conditions and increasing our business by offering special inducement to the larger customers. Further price declines in Hydrated lime are inevitable.

Mason's Hydrate—Mason's Hydrate is in a demoralized condition, prices as low as \$6.00, including bags, f. o. b. mill from all producing areas.

Textone—Textone shows an increase of 54.7% with a sales price decrease of 3.3%. Sales for the year 1926 were 2,414,244 pounds. Sales for 1927 were 3,734,037 pounds.

Textone net sales valuation 1926—\$437,080

Textone net sales valuation 1927—\$653,516.

Competition is becoming more keen and our competitors have in the last period made a drive for our sales force. We have lost several good salesmen on offers which we could not duplicate without demoralizing our own organization. Mr. Pringle reports there are now 61 competitive materials offered for texture work.

Oriental Stucco Finish & Base—Finish sales for 1927—11,596 tons, as compared with 12,598 tons for 1926, a decrease of 1002 tons. Sales valuation 1927—Finish, \$382,786; Base, \$52,454. This tonnage decrease is due to less in residential building and price competition from locally manufactured colored stucco, by the California Stucco plants, and plants operated by dealers.

We have made prices necessary to hold and secure establishment in these markets and we look for a decided increase in tonnage for 1928. These local plants are slowly being eliminated.

Plastint—Sales for 1926—3,830 tons. Sales for 1927—5,850 tons, an increase of 52.7%. Sales valuation for 1927 \$178,749. Plastint is now established through 700 dealers and is introduced and recognized as a regular commodity by the building trade. We are using the same sales methods as advocated for Oriental to overcome the local colored plaster competition, and 1928 should show a decided increase.

Thermofill—Sales for 1926—1,931 tons; for 1927—6,354 tons, an increase of 4,423 tons. Sales Valuation 1927, \$111,159. Thermofill is growing in volume and distribution. We have now 750 dealers handling Thermofill. We have had splendid reaction from our National advertising and with the operation of the sales effort to be put forth in 1928, this business should increase.

Pyrocell—Pyrocell sales show a decline of 30.6%. We have overcome the difficulties with our new formulas and

look for a slow steady growth in this commodity when sold for the purposes intended.

11520. Sabinite—Sales for 1927—779 tons. Sales for 1926—140 tons. Sales valuation for 1927, \$52,741. Sales valuation for 1926, \$10,673.

Our Architectural force is now devoting its entire time to Sabinite sales and the specifications which they are securing should result in jobs making a healthy increase in tonnage for 1928.

General—It has been recommended to the management that we increase our sales organization by putting on specialty men on all our specialties and also to concentrate on wallboard in the Southwestern area to replace shiplap, which offers excellent opportunity.

During the last quarter twelve picked men were sent to Texas to introduce $\frac{1}{2}$ " tongue and groove Sheetrock to replace shiplap for interior wall construction and have found that this opens up a virgin field which was untouched with sheetrock. These men sold from November 1 to February 1 by direct sales 2,238,760 feet of $\frac{1}{2}$ " Sheetrock and were instrumental in additional dealers sales of 820,534 sq. ft. It is our intention to augment these men with men in other states where this is common construction.

In general we look for a \$5.00 mill base on plaster, \$4.00 on Stucco, and \$1.50 on rock, throughout the United States with a possible \$20.00 price on Sheetrock, and the only hope of helping profits is to increase tonnage of our regular commodities by meeting competitive prices, enlarging establishment, and to build specialties by intensive and direct work.

What the competitive reaction to our new prices and policy will be we can not at this time state, but there is no doubt but what we will have to meet lower prices on sub-grade board and it is our policy to meet any prices offered by any competitor on the low grade board, but to try to sell Sheetrock, to maintain Sheetrock profits and Sheetrock name and quality.

C. HENNING
Vice President
in Charge of Sales.

11521

*Government's Exhibit No. 620***Report of Sales Department—First Half 1928.****MR. S. L. AVERY,***President**Office:*

Shipments comparing the first half 1928 with first half 1927 as follows:

Commodity (Incl. F. P.)	1928	1927	Comparison
Total Tonnage	1,415,229	1,353,280	G 4.6%
Bag Tonnage	850,926	855,356	L 0.5%
Unmixed Tonnage	209,484	188,118	G 11.4%
Lime Tonnage	75,277	62,076	G 21.3%
Textone Poundage	2,443,047	1,755,380	G 39.2%
*Sheetrock Footage	168,063 M	169,699 M	L 1.0%
Sterling Bld. Footage	18,326 M	10,118 M	G 81.1%
Rocklath. Footage	114,491 M	76,887 M	G 48.9%
Partition Tile Footage	10,960 M	11,002 M	L —

*Includes Sheetrock #2 and Crown

Gross sales for the first half 1928 were \$14,553,229 as compared with \$16,046,465, same period 1927, or a decrease of 9.3% but 19.1% above first six months average for past seven years.

Sales expense increased 2.7% over the first half of 1927, as compared with the gross sales decrease of 9.3% and total tonnage increase of 4.6%.

The Advertising Expense for the first six months of 1928 was \$256,029, which represents a decrease of 52.7% of the expenditures of the same period last year.

The Sales Expense for the first half 1928, plus the Advertising Expense, equals \$1,630,562, a decrease of 12.3% from the first half of 1927.

**Percent Sales Expense to Net Sales
For the First Six Months**

	1928	1927	1926	1925	1924	1923	1922
Excluding Advertising Expense	9.7	8.5	7.8	6.2	6.3	6.9	8.6
Including Advertising Expense	11.5	11.8	11.1	8.6	7.9	8.3	11.5
Field Employees as of June 30.							
	1928	1927	1926	1925	1924	1923	1922
Salesmen	277	254	232	174	150	113	110
Supervisors and City Mgrs.	28	34	21	11	9	9	9

11522 Competitive conditions have become more acute since the last report and prices are daily declining. Prices on all commodities in all territories have reached lower levels.

Rock—Rock tonnage shows an increase of 13.3% and a price decline of 21.7% as compared with the same period last year.

Rock prices have declined at all mills due to competitive activity offering lower prices to our rock accounts. We are meeting these situations individually and will secure more establishment.

Stucco—Stucco shows a decline in tonnage of 13.6% with a decrease in price of 14.3% as compared with the same period last year. We have regained 4% of this decline during the last three months and now have our lost accounts and new accounts so lined up so that we should regain lost tonnage by the end of the year.

Stucco Specialties—Stucco specialties show a decrease of 1.9% and a price decline of 3.5%. The price aggressors are the Pennsylvania Gypsum Company serving the Pennsylvania area and the Atlantic Gypsum Company in the Boston area. They are trying to increase establishment through the price route and we are meeting same and have so far lost no establishment. The Texas Company has made a price of \$8.50 on white goods against our \$10.50 and we are meeting same by offering Sweetwater material at the Texas price where necessary to hold establishment, but are holding our Southard goods at the regular market price.

Neat Wall Plaster—Neat Wall plaster tonnage is practically the same as the same period last year with a price decline of 13½%. Prices are continually lowered by competition. Since last report the seventeen Southeastern and Southwestern states have been reduced to a \$2.00 price f. o. b. mill on dark plaster. Texas Company is quoting \$4.00 on white cement plaster. The Ft. Dodge mill base has been reduced from \$9.00 to \$4.00. The State of Michigan is from \$9.00 to \$6.00; Indiana from \$9.00 to \$7.00. Chicago is now on a \$3.60 mill base with Detroit, Cleveland, and the larger central cities from \$4.00 to \$5.00. Oakfield mill base is \$4.50 to \$5.00. Metropolitan New York, Philadelphia, and Boston areas are on a \$4.00 to \$4.50 with Baltimore at a

\$3.50. The Certainteed Company has refused to accept dark plaster at less than \$2.50 and we are protecting their trade for the balance of the year for \$2.00, resulting in a large gain in tonnage and establishment. We look for still lower prices on cement plaster.

Sanded Plaster—Sanded Plaster tonnage has increased .9% (9/10%) with a price decline of 4.2%. Although sanded plaster prices are fairly well established, our tonnage on sanded plaster is falling off due to the low price on neat plaster; contractors now make their own job mix rather than use sanded plaster. It may be necessary to reduce sanded prices in order to hold some of the trade to sanded. However we will let it gravitate where it will.

11523—**Plasterboard**—Plasterboard shows an increase of 48.9% and a price decline of 3.2% as compared with the same period last year. The total increase in footage for the half year was 37,573,000 sq. ft. Competition is now offering cut stock bundled plasterboard at \$10.00 to \$12.50 mill. However, we have not as yet reduced any prices on Rocklath, but are still holding the same \$15.00 price. We are meeting competitive board with our own bundled cut stock. We believe we can hold the situation for the balance of the year with increased tonnage.

All Wallboard—Wallboard shows a gain of 3.7% with a price decline of 17.9% as compared with the same period last year. Meeting competitive prices has regained establishment and increased tonnage.

We are endeavoring to maintain a differential of \$5.00 between Sheetrock and Crown and Sterling board and have been successful in holding 65% of the footage on Sheetrock for the first 6 months; however, for the month of July this percentage has been reduced to 48%.

Due to Certainteed's activities, who are now offering wallboard for \$12.00 in all areas except the central area where they are on a \$15.00 price, Crown has gravitated to \$14.00 and \$16.00 which was necessary to hold establishment and get tonnage. With the wide spread between \$14.00 on Crown and \$25.00 on Sheetrock, making a \$11.00 differential, it has been necessary during July to drop the price of Sheetrock in order to hold Sheetrock in the markets. In these areas we are now quoting Crown at \$14.00 against

Certainteed's \$12.00 board and holding Sheetrock at \$18.00 and the same applies proportionally where other prices on Certainteed prevail. We look for further declines both in Sheetrock and Crown prices with increased tonnage and establishment.

Gyplap—Gyplap shows a decline of 15.4% for the period. However, during the last quarter shipments have been improving.

Total Board Footage—Total board footage shows a gain of 17.1% with a loss in valuation of 25.7%, not including consignments.

Total footage for the 6 months of 1928—302,834,000 sq. ft.

Total footage for the 6 months of 1927—258,585,000 sq. ft.

Net sales valuation for 6 months 1928—\$5,808,102.00

Net sales valuation for 6 months 1927— 6,211,717.00

Partition Tile—Partition tile footage for the period is practically the same as for the first half of 1927 with a price decline of 18.2%. For the first quarter of 1928 there was a loss in volume of 22% as compared with the same quarter of 1927, but we have made up this loss and the balance of the year will show greater gains. Partition tile will sell at cost, due to competitors moving stocks on hand.

Hydrated Finishing Lime—Hydrated Finishing Lime shows an increase in volume of 18.2% and a price decline of 12.4%. We are increasing both establishment and tonnage—however look for lower prices.

11524 Masons Lime—Masons Lime is still on a \$6.00 mill base. We are increasing both tonnage and establishment.

Textone—Textone shows an increase of 39.2% with a price decline of $2\frac{1}{2}\%$.

Sales for 1st 6 months 1927—1,755,385 pounds.

Sales for 1st 6 months 1928—2,443,047 pounds.

This increase is largely in the Metropolitan New York area and in the Texas district where the combination of Tongue and Groove Sheetrock and Textone are replacing shiplap, canvas and wallpaper. We are making a drive

on this class of construction with excellent prospects for both Sheetrock and Textone.

Textone net sales valuation 6 months 1928—\$421,095.

Textone net sales valuation 6 months 1927—310,542.

Oriental Stucco Finish and Base—Finish sales for the 6 months of 1928—6,408 tons as compared with 5,717 tons for the same period 1927, an increase of 691 tons.

Sales valuation for 6 months 1928—Finish —\$207,428.

Sales valuation for 6 months 1928—BaseCoat — 18,513.

With the new plant at Sweetwater giving better service and uniformity of color, the tonnage and valuation will be further increased.

Plastint.—Plastint sales for the 6 months of 1927 were 2,250 tons; same period 1928—2,901 tons, an increase of 651 tons or 29%. Sales valuation for the 6 months 1928—\$84,760. Now that the new formula is satisfactory, eliminating bond complaints, we believe Plastint will show further increases.

Thermofill.—Thermofill sales for the 6 months of 1927—1,966 tons as compared with 3,458 tons for the same period 1928, showing an increase of 1,491 tons. Sales valuation for the 6 months of 1928—\$61,506. The National Gypsum Company and American Gypsum Company are now offering a substitute for Thermofill at \$5.00 less than ours. We have not as yet met this price condition.

Sabinite.—Sabinite sales for the 6 months of 1928—679 tons as compared with 277 tons for the same period 1927. Sales valuation for 1928—\$44,206. The sales force working on Sabinite is showing results in increased specifications and sales.

Consignments—Total materials shipped out on the consignment plan for the 6 months 1928:

Rocklath	2,743,517 sq. ft.
Cutstock	225,864 sq. ft.
Sheetrock	8,384,613 sq. ft.
Crown	4,316,854 sq. ft.
Sterling	4,281,132 sq. ft.
Gyplap	377,127 sq. ft.

Total Board 20,331,107 sq. ft.

11525

Oriental Stucco Finish	63 tons
Plastint	152 tons
Thermofill	620 tons
Textone	74,710 lbs.

Valuation of all materials on consignment—\$470,611.

An interesting feature of our consignment plan is that returns made by the dealers are on the old prices of \$25.00 for Sheetrock and \$20.00 for Crown and Sterling, very few price reductions having been made. Gross profit on the material sold by the dealers from consignment stock during the first six months amounted to \$61,331 on sales of \$118,298.

We have 927 dealers on the consignment plan as of June 30, 1928.

General—Competition is more aggressive than last quarter and there is no market on any of our materials. We are trying to sell all products at a differential above our competitors' prices and are making a consistent effort to hold Sheetrock rather than sell Crown, however, losing no establishment or footage on account of price. We are showing consistent gains in tonnage and establishment on all commodities and the policy inaugurated to meet competition in order to get increased tonnage to reduce costs is showing in profits. Commodities showing an increase in tonnage as compared with the previous year show less losses than the price decline on the previous year's tonnage.

During the second quarter the Sales Department has decentralized, establishing District Offices, localizing its sales efforts under direct management for closer contact with the trade which is resulting in increased business. We now have in effect the Boston, Philadelphia, Metropolitan, Buffalo, Pittsburgh, Chicago, Detroit, St. Louis, and Dallas District Offices and before the first of September will have opened up offices in Atlanta, Memphis, Omaha, and Minneapolis. In all there will be 15 district offices.

We look for further price recessions on all commodities in all areas, but believe that our new plan of organization will show consistent gains in establishment and tonnage which will mitigate to some extent the results of price declines.

C. HENNING

11526

Government's Exhibit No. 621

MR. S. L. AVERY,
President.

Report of Sales Department, First Quarter 1929.

Gross Sales for the first quarter 1929 as compared with same period 1928 decreased 15.5% as shown below:

Gross Sales—3 Mos. 1929—\$5,591,924
Gross Sales—3 Mos. 1928—\$6,620,968

Sales Expense Excluding Advertising, 3 Mos. 1929, \$633,664, decreased 6.5%
Sales Expense Excluding Advertising, 3 Mos. 1928, \$677,735.

Advertising Expense \$45,838, decreased 69.2% from 1928 expenditures.

Sales Expense, plus Advertising \$679,502, decreased 18.1%.

Percent Sales Expense to Net Sales.

	1929.	1928	1927	1926	1925
Excluding Advertising	11.7	10.5	9.1	9.1	6.7
Including Advertising	12.4	12.9	12.7	12.2	9.0

Field Employees.

Salesmen	261	271	247	236	175
Supervisors & City Managers ..	5	32	30	21	19

A general survey of price and tonnage conditions by commodities for the first quarter of 1929, as compared with same period for the previous year is listed below.

Rock—Rock tonnage increased 12%. Price declined 5.4%. Rock prices seem stabilized in practically all sections. We are preparing to increase our tonnage for the new mills.

Stucco—Stucco tonnage increased 19½%; price declined 8.8%. Prices seem stabilized on this commodity. Our program to secure additional establishment and tonnage has developed an increased business.

Stucco Specialties—Stucco Specialties decreased 1.7% in tonnage; price declined 11.3%. Prices are still declining on white goods, due to aggression of Certainteed and Atlantic Gypsum Companies on this commodity group.

Neat Wall Plaster—Neat Wall Plaster tonnage increased 3.6%. Price declined 34.6%. The Southeastern and Southwestern areas have stabilized on a \$2.00 mill base and the balance of the country at practically \$4.00 with the exception of some of the larger markets, which are at \$3.50 and \$3.60. Competitors are offering plaster in some localities and on large jobs at \$3.50, which will result in further price declines, as also will our aggression to get tonnage at competitive prices for the new mills.

Sanded Plaster—Sanded Plaster decreased 17.1%. Price declined 19.5%. Sanded Plaster tonnage and prices are still decreasing due to the economic use of low priced neat plaster.

11527 Plasterboard—Plasterboard increased 7%; price declined 9.4%. Total footage increase for the period was 3,545,000 sq. ft. It has been necessary to reduce prices in practically all large markets where plasterboard has been established, on account of competitors offering cutstock and plasterboard at \$10.50 to \$12.00. We are meeting this competition with unbranded plasterboard and cutstock for the lower prices where possible, but look for a general \$13.00 price on Rocklath in all markets, with larger percentage of cutstock. Plasterboard will show continued healthy increases in footage.

Wallboard—Wallboard increased 10.4%. Price declined 24.4%. We maintained 42.5% of the wallboard business on Sheetrock at an average price of \$20.06 per thousand. We are meeting competition and regaining establishment with Crown Board, which has declined to an average of \$14.63 per thousand in the month of March. It has also been necessary, due to the rapidly declining prices on Crown, to adjust Sheetrock to lower levels in most markets.

We have 843 dealers on consignment selling 5,897,501 square feet for the first quarter.

Gyplap—Gyplap declined 8.7%. In order to increase footage we are analyzing price and market conditions on this commodity with hopes of betterment.

Total Board Footage—Total board footage of all kinds increased 9%. Price declined 20.4%.

Total footage for the 3 Mos. 1929—149,082,000 ft.

Total footage for the 3 Mos. 1928—136,781,000 ft.

Net sales valuation—3 Mos. 1929—\$2,356,700

Net sales valuation—3 Mos. 1928—\$2,715,152

Partition Tile—Partition Tile increased 47.8%. Price declined 24.8%. This increase due to meeting competitive prices in all markets.

Hydrated Lime Finish and Masons.—Total Hydrated Lime increased 5.8%; price declined 16.4%. Competition becoming severe and there is every indication of still lower prices.

Paint Products—All Paint Products increased $3\frac{1}{2}\%$; price declined 13.2% . Sales for first quarter 1929, 1,212,805 pounds.

Paint Products net sales valuation 1st 3 Mos. 1929—\$184,912.
Paint Products net sales valuation 1st 3 Mos. 1928—\$205,426.

Competition is more keen, with lower prices in prospect. It is necessary to introduce a lower priced Textone to meet the competitive situation.

Oriental Stucco. Finish & Base.—Oriental Finish sales decreased 31% ; price declined $9\frac{1}{2}\%$. Due to the rapid growth of local mixing plants, further price cuts will be necessary to hold establishment, and plans are in progress to meet this local manufacturing condition.

Oriental Base Coat increased 16.8% ; price declined 6.8% . Manufacturing this commodity at the new mills will increase its distribution.

11528 **Plastint**—Plastint increased 60.9% ; price declined $14\frac{1}{2}\%$. This commodity is increasing, but we are meeting the same conditions of local manufacture as with Oriental Finish and the same policy in regard to price and distribution will be followed.

Thermofill—Thermofill sales practically the same, price declined $6\frac{1}{2}\%$. We are meeting new competition, both in the gypsum industry and from other industries on this material. Prospects are for increased tonnage at lower prices.

Sabinite—Sabinite tonnage practically the same, with increase of $5\frac{1}{2}\%$ in price. This price increase is due to shipments being made in territories where we do not absorb freight. With the change in the acoustical organization, this volume should be increased.

Metal Lath Products—Metal Lath sales 264,290 sq. yds., total sales valuation, including accessories, \$53,098. 85% of sales territories show distribution on Metal Lath. 20% of total business was represented in cartboards and 80% in less-cartload business, of which 60% was in mixed cars with other gypsum products. Sales valuation doubled each successive month. Prospects are very much greater for second quarter. We really got a late start on metal lath, as our display kits, price lists, literature, etc., were not available until nearly March 1.

6418

Standard X Lath Base Coat & Accessories.—Sales of Standard X Lath for the first quarter total 744,728 sq. ft. 971 tons of Standard X Base Coat plaster was sold. 1,221,248 lineal feet flat strips, 289,080 ft. of angles, and 51,864 lineal feet of corner bead was sold.

6424

The sales force are very enthusiastic over Standard X System, and on the basis of the first jobs established in the important markets, prospects seem exceedingly good for the second quarter.

We have established 76 Licensed Dealers, 55 Licensed Contractors, and have sold approximately 100 jobs during the first quarter.

C. HENNING

CFH/WP

11529

Government's Exhibit No. 624

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from July 1, 1929 to July 31, 1929, inclusive by the Certain-Teed Products Corporation, licensee under agreement dated May 22, 1929, between United States Gypsum Company and Certain-Teed Products Corporation

	Square Ft.	Average Selling Price	Amount
Gypsum Wall Board	7,455,003	\$ 17.72	\$132,101.27
Gypsum Wall Board—Seconds	62,284	17.72	1,102.34
Gypsum Lath	3,595,122	12.15	43,679.05
Gypsum Wall Board—Export	191,883	25.43	4,879.70
	<u>11,304,292</u>		<u>\$181,762.36</u>

Less:

Adjustments & Allowances:

Errors in Pricing	293.30	
Errors in Commissions	77.39	
Errors in Shipping	8.47	
Errors in Freight	576.02	
Errors in Billing	30.00	
Defective	252.06	
Freight on Returned Material	87.98	
Policy	109.02	
London & Canada	977.07	
Extra Cost of Export Packing	1,469.80	
Freight to Distributing Warehouses....	<u>2,737.73</u>	<u>4,664.70</u>

Less Cash Discount..... 177,097.66
3,081.50

Net Sales 174,016.16

Amount of Royalty for July at 5%..... \$ 8,700.81

Less:

Former Beaver Material on Hand 5/31/29

55,571 ft. Gypsum Board @ 17.72.....	\$ 984.71
180,039 ft. Gypsum Lath @ 12.15.....	<u>2,187.47</u>
	3,172.18
Less Cash Discount.....	<u>55.20</u>
	<u>3,116.98</u>

Royalty at 5%:

155.85
\$ 8,544.96

6420

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 20th day of August, 1929

EDWARD J. HOLGAN
Notary Public

Notary Public Kings Co. Clerk's No. 661
Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627
Commission expires March 30, 1931

(Notarial Seal)

11530

Government's Exhibit No. 625

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from August 1, 1929 to August 31, 1929, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between United States Gypsum Company and Certain-teed Products Corporation

	Square Ft.	Average Selling Price	Amount
Gypsum Wall Board	5,996,600	\$ 20.08	\$120,441.25
Gypsum Wall Board—Seconds	127,902	16.11	2,060.44
Gypsum Lath	3,046,051	12.80	38,994.13
Gypsum Wall Board—Export	238,044	25.66	6,109.43
	<u>9,408,597</u>	<u>17.81</u>	<u>167,605.25</u>
Less:			
Adjustments & Allowances			
Errors in pricing		\$1,456.08	
Errors in commissions		61.86	
Errors in shipping		426.10	
Errors in freight		1,528.93	
Errors in billing		45.08	
Equalization of freight		1,500.48	
Defective		32.83	
Freight on returned material			
Policy		75.81	
London & Canada		1,175.00	
Extra Cost of export packing		1,196.97	
Freight to distributing warehouses		3,168.25	8,257.39
			<u>159,347.86</u>
		Less Cash Discount	<u>2,772.65</u>
		Net Sales	<u>156,575.21</u>
		Total amount for August @ 5%	<u>\$ 7,828.76</u>
Gross Sales:			
Aug. 1st to 6th	\$36,785.51 = 22.14%		
Aug. 7th to 31st	129,319.26 77.86%		
Net Sales	\$156,575.21 x 22.14% = \$ 34,665.75 x 5% =		1,733.29
Net Sales	156,575.21 x 77.86% = \$121,909.46 x 1½%		1,828.64
		Royalty due for August	3,561.93
Net Sales	\$156,575.21 x 77.86% = \$ 121,909.46 x 3½%		4,266.83
		August payment due on fixed amount	<u>\$ 7,828.76</u>

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to, and subscribed before me
at New York, N. Y.
this 17th day of September, 1929

EDWARD J. HOLGAN
Notary Public

Notary Public Kings Co. Clerk's No. 661
Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627
Commission expires March 30, 1931

(Notarial Seal)

11531

Government's Exhibit No. 626

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from September 1, 1929 to September 30, 1929, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount
Gypsum Wall Board	4,595,804	\$ 21.78	\$100,994.08
Gypsum Wall Board—Seconds	112,693	17.14	1,931.38
Gypsum Lath	2,011,313	14.26	28,687.72
Gypsum Wall Board—Export	419,073	27.92	11,700.52
	<u>7,138,883</u>	<u>\$ 19.95</u>	<u>\$142,413.70</u>

Less:

Adjustments and Allowances

Errors in pricing	\$ 404.36
Errors in commission	161.62
Errors in shipping	1.80
Errors in freight	1,554.96
Errors in billing	45.75
Returned Material	516.19
Equalization of Freight	3,905.01
Freight on Returned Goods	224.02
Policy	96.50
Defective	157.37
London & Canada	280.21
Extra Cost of Export Packing	2,631.39
Freight to Distributing Warehouse	2,086.07

Total 11,504.83

Less Cash Discount \$130,908.87
2,277.81

Net Sales \$128,631.06

Total September Royalty @ 5%..... \$ 6,431.55

Current royalty @ 1½%.....\$1,929.47
Back royalty @ 3½%.....4,502.08

\$6,431.55

6424

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 21st day of October, 1929

EDWARD J. HOLGAN
Notary Public

Notary Public Kings Co. Clerk's No. 661
Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627
Commission expires March 30, 1931

(Notarial Seal)

11532

Government's Exhibit No. 627

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from October 1, 1929 to October 31, 1929, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount
Gypsum Wall Board	5,302,276	\$ 22.06	\$116,954.59
Gypsum Wall Board—Seconds	12,116	19.95	241.68
Gypsum Lath	2,383,335	14.25	33,974.11
Gypsum Wall Board—Export	362,101	22.66	8,204.61
	<u>8,059,828</u>	<u>\$ 19.77</u>	<u>\$159,374.99</u>
Less:			
Adjustments and Allowances			
Errors in pricing		\$ 818.87	
Errors in commission		328.46	
Errors in shipping		105.53	
Errors in freight		1,113.36	
Errors in billing .....		.52	
Returned material			
Equalization of Freight		5,419.18	
Freight on Returned Goods		39.60	
Policy		26.18	
Defective		42.08	
London and Canada		46.27	
Extra Cost of Export Packing		2,416.41	
Freight to Distributing Warehouse		2,366.49	
			<u>\$ 12,722.95</u>
Total			\$146,652.04
Less Cash Discount			2,551.74
Net Sales			\$144,100.30
Total Royalty for October @ 5%			<u>\$ 7,205.00</u>
Current Royalty @ 1½%		\$2,161.50	
Back Royalty @ 3½%		5,043.50	
		<u>\$7,205.00</u>	

State of New York)
County of New York) ss.

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 20th day of November, 1929

EDWARD J. HOLGAN
Notary Public

Notary Public Kings Co. Clerk's No. 661
Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627
Commission expires March 30, 1931

(Notarial Seal)

11533

Government's Exhibit No. 628

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from November 1, 1929 to November 30, 1929, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty Current	Fixed Sum
Gypsum Wall Board	4,876,853	\$21.886	\$106,735.89	\$2,294.45	\$2,616.13
Gypsum Wall Board Seconds	114,516	20.182	2,311.28	49.68	56.65
Gypsum Lath	1,867,142	14.258	26,622.88	572.31	652.55
Gypsum Wall Board Export..	134,796	27.341	3,685.50	79.23	90.33
	<u>6,993,307</u>	<u>\$19.927</u>	<u>\$139,355.55</u>	<u>\$2,995.67</u>	<u>\$3,415.66</u>

Less:

Adjustments and Allowances

Errors in Pricing	160.97
Errors in Commission	217.10
Errors in Shipping	52.77
Errors in Freight	290.39
Errors in Billing	—
Returned Material	—
Equalization of Freight	4,450.49
Freight on Returned Goods	—
Policy	127.09
Defective	144.15
London & Canada	127.54
Extra Cost of Export Packing	1,241.57
Freight to Distributing Whse.	<u>2,046.23</u>

Total 8,858.30

\$130,497.25

Less Cash Discount 2,270.65

Net Sales \$128,226.60

Total Royalty for Nov. @ 5% \$ 6,411.33

Gross Sales for Month of November \$139,355.55 = 100%

Gross Sales for Nov. 1st to 5th \$ 22,823.22 = 16.377%

Net Nov. Sales	Net Sales 11/1-4	Current Royalty	Back Royalty	Total Royalty
128,226.60 x 16.377% =	\$ 20,999.67 @ 1½%	\$ 315.00 @ 3½%	\$ 734.98	\$1,049.98
	Net Sales 11/5-30			
128,226.60 x 83.623% =	107,226.93 @ 2½%	2,680.67 @ 2½%	2,680.68	5,361.35
Total	\$128,226.60	\$2,995.67	\$3,415.66	\$6,411.33

Bundle Patent License

	Square Ft.	Royalty
Gypsum Lath	1,387,476	\$ 138.75

6428

State of New York)
County of New York) ss.

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 20th day of December, 1929

EDWARD J. HOLGAN
Notary Public

Notary Public Kings Co. Clerk's No. 661
Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627
Commission expires March 30, 1931

(Notarial Seal)

11534

Government's Exhibit No. 629

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from December 1, 1929 to December 31, 1929, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty Current	Fixed Sum
Gypsum Wall Board	3,253,624	\$21.706	\$70,623.46	\$1,580.55	\$1,580.55
Gypsum Wall Board Seconds ..	44,088	22.105	974.58	21.81	21.81
Gypsum Lath	952,240	14.394	13,706.86	306.76	306.76
Gypsum Wall Board Export	309,395	24.757	7,659.57	171.43	171.43
	<u>4,559,347</u>	<u>\$22.962</u>	<u>\$92,964.47</u>	<u>\$2,080.55</u>	<u>\$2,080.55</u>

Less:

Adjustments & Allowances—	
Errors in Pricing	\$ 333.97
Errors in Commission	863.91
Errors in Shipping	77.70
Errors in Freight	1,107.43
Errors in Billing	—
Returned Material	—
Equalization of Freight	2,024.71
Freight on Returned Goods	100.38
Policy	114.09
Defective	16.34
London & Canada	464.39
Extra Cost of Export Packing	2,286.87
Freight to Distributing Whse.	1,379.12

Total 8,268.91

\$84,695.56

Less Cash Discount 1,473.70

Net Sales \$83,221.86

Total Royalty @ 5% for December..... \$ 4,161.10

Current Royalty @ 2½%..... \$2,080.55

Back Royalty @ 2½%..... 2,080.55

\$4,161.10

Bundle Royalty

Gypsum Lath 688,400 Sq. Ft.

\$68.84

6430

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 20th day of January, 1930

EDWARD J. HOLGAN

Notary Public

Notary Public Kings Co. Clerk's No. 661

Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627

Commission expires March 30, 1931

(Notarial Seal)

11535

Government's Exhibit No. 630

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from January 1, 1930 to January 31, 1930, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wall Board	8,541,976	\$.0224	\$191,327.11	\$6,218.48	\$2,665.05
Gypsum Wall Board Seconds ..	53,416	.0216	1,151.31	37.42	16.04
Gypsum Lath	2,068,600	.0149	30,839.86	1,002.35	429.58
Gypsum Wall Board Export ..	242,060	.0240	5,817.58	189.08	81.03
	<u>10,906,052</u>		<u>\$229,135.86</u>	<u>\$7,447.33</u>	<u>\$3,191.70</u>

Less:

Adjustments & Allowances—

Errors in Pricing	\$ 111.81
Errors in Commission	138.29
Errors in Shipping	
Errors in Freight	189.33
Errors in Billing	21.94
Returned Material	42.80
Equalization of Freight	7,726.26
Freight on Returned Goods	—
Policy	116.45
Defective	120.68
London & Canada	34.20
Extra Cost of Export Packing	1,776.10
Freight to Distributing. Whse.	2,688.12

Total 12,587.32

Less Cash Discount \$216,548.54
3,767.95

Net Sales \$212,780.59

Total Royalty at 5% for January \$ 10,639.03

Current Royalty @ .035 \$ 7,447.33
Back Royalty @ .015 3,191.70

\$10,639.03

Gypsum Lath—1,375,890 Sq. Ft. 137.59

Total Royalty \$ 10,776.62

6432

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 3rd day of March, 1930

EDWARD J. HOLGAN
Notary Public

Notary Public Kings Co. Clerk's No. 661
Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627
Commission expires March 30, 1931

(Notarial Seal)

11536

Government's Exhibit No. 631

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from February 1, 1930 to February 28, 1930, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wall Board	3,241,523	\$22.77	\$ 73,795.80	\$2,378.93	\$1,018.09
Gypsum Wall Board Seconds ..	37,780	21.17	799.97	25.79	11.04
Gypsum Lath	1,357,302	14.75	20,020.29	645.39	278.19
Gypsum Wall Board Export ..	245,671	26.59	6,532.86	210.60	90.13
	<u>4,882,276</u>	<u>\$20.72</u>	<u>\$101,148.92</u>	<u>\$3,260.71</u>	<u>\$1,397.45</u>

Less:

Adjustments & Allowances—

Errors in Pricing	\$ 675.12
Errors in Commission	12.43
Errors in Shipping	8.03
Errors in Freight	23.87
Errors in Billing	73.65
Returned Material	14.40
Equalization of Freight	2,133.88
Freight on Returned Goods	—
Policy	169.41
Defective	—
London & Canada	45.46
Extra Cost & Export Packing	1,566.31
Freight to Distributing Whse.	1,686.12

Total 6,336.08

Less Cash Discount \$ 94,812.84
1,649.74

Net Sales \$ 93,163.10

Total Royalty @ 5% for February..... \$ 4,658.16

Current Royalty @ .035..... \$3,260.71

Back Royalty @ .015..... 1,397.45

\$4,658.16

Bundling Royalty 964,576 Sq. Ft.... \$ 96.46

6434

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 15th day of March, 1930

EDWARD J. HOLGAN

Notary Public

Notary Public Kings Co. Clerk's No. 661

Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627

Commission expires March 30, 1931

(Notarial Seal)

11537

Government's Exhibit No. 633

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from March 1, 1930 to March 31, 1930, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wall Board	4,738,274	\$24.28	\$115,052.46	\$3,687.54	\$1,580.36
Gypsum Wall Board Seconds	828	21.75	18.01	.58	.25
Gypsum Lath	1,488,149	14.71	21,886.93	701.50	300.64
Gypsum Wall Board Export	265,925	27.69	7,382.19	235.96	101.14
	<u>6,493,176</u>	<u>\$22.23</u>	<u>\$144,319.59</u>	<u>\$4,625.58</u>	<u>\$1,982.39</u>

Less:

Adjustments & Allowances—

Errors in Pricing	\$ 195.31
Errors in Commission	665.00
Errors in Shipping	47.12
Errors in Freight	657.86
Errors in Billing	12.45
Returned Material	—
Equalization of Freight	3,632.25
Freight on Returned Goods	329.16
Policy	153.84
Defective	23.60
London & Canada	19.62
Extra Cost & Export Packing	1,904.84
Freight to Distributing Whse.	2,217.32

Total 9,819.13

Less Cash Discount \$134,500.46
2,341.10

Net Sales \$132,159.36

Total Royalty @ 5% for March \$ 6,607.97

Current Royalty @ .035 \$4,625.58

Back Royalty @ .015 1,982.39

\$6,607.97

Bundling Royalty—927,264 Sq. Ft. \$ 92.73

\$ 6,700.70

6436

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 16th day of April, 1930

EDWARD J. HOLGAN
Notary Public Kings Co. Clerk's No. 661
Cert. filed in N. Y. Co. No. 959 Reg. No. 1-H-627
Commission expires March 30, 1931

(Notarial Seal)

11538

Government's Exhibit No. 633

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from April 1, 1930 to April 30, 1930, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wall Board	4,790,534	\$24.24	\$116,102.38	\$3,723.57	\$1,597.96
Gypsum Wall Board Seconds ..	65,342	24.45	1,597.84	51.31	21.99
Gypsum Lath	1,919,047	15.12	29,023.23	932.06	399.46
Gypsum Wall Board Export ..	261,013	26.41	6,894.19	221.41	94.89
	<u>7,035,886</u>	<u>\$21.83</u>	<u>\$153,617.64</u>	<u>\$4,933.37</u>	<u>\$2,114.30</u>
Less:					
Adjustments & Allowances					
Errors in Pricing		519.29			
Errors in Commission		89.09			
Errors in Shipping		145.28			
Errors in Freight		740.96			
Errors in Billing		—			
Returned Material		—			
Equalization of Freight		4,207.61			
Freight on Returned Goods		—			
Policy		56.88			
Defective		351.00			
London & Canada		13.75			
Extra Cost of Export Packing		1,535.57			
Freight to Distributing Whse.		2,508.80			
Total			10,168.23		
			<u>143,449.41</u>		
Less Cash Discount			2,496.01		
Net Sales			140,953.40		
Total Royalty @ 5% for April			<u>\$ 7,047.67</u>		
Current Royalty @ .035		\$4,933.37			
Back Royalty @ .015		2,114.30			
		<u>\$7,047.67</u>			
Bundle Royalty—1,422,536 sq. ft.			142.25		
Total Royalty			<u>\$ 7,189.92</u>		

6438

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 14th day of May, 1930

GERRIT H. KIP

Notary Public Bronx Co. Clerk's No. 201
Cert. filed in N. Y. Co. No. 912, Reg No. 2-K-559
Commission expires March 30th, 1932

(Notarial Seal)

11539

Government's Exhibit No. 634

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from May 1, 1930 to May 31, 1930, inclusive by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wall Board	6,347,038	\$23.74	\$150,675.23	\$4,878.63	\$2,090.84
Gypsum Wall Board Seconds	37,000	22.51	832.82	26.97	11.57
Gypsum Lath	2,423,641.9	15.05	36,477.97	1,181.10	506.18
Gypsum Wall Board Export.	251,733	26.72	6,725.63	217.77	93.33
	<u>9,059,412.9</u>	<u>\$21.49</u>	<u>\$194,711.65</u>	<u>\$6,304.47</u>	<u>\$2,701.92</u>
Less:					

Adjustments & Allowances

Errors in Pricing	37.88
Errors in Commission	287.64
Errors in Shipping	14.72
Errors in Freight	326.58
Errors in Billing	195.29
Returned Material	—
Equalization of Freight	5,721.20
Freight on Returned Goods	—
Policy	251.87
Defective	229.06
London & Canada	64.14
Extra Cost of Export Packing	1,389.55
Freight to Distributing Warehouse ..	3,266.88

Total \$ 11,394.23

183,317.42

Less Cash Discount 3,189.72

Net Sales \$180,127.70

Total Royalty @ 5% for May..... \$ 9,006.39

Current Royalty @ .035..... \$6,304.47

Back Royalty @ .015..... 2,701.92

\$9,006.39


Bundle Royalty—1,768,554 sq. ft. 176.86

\$ 9,183.25

6440

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

 GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 17th day of June, 1930

GERLIT H. KIP

Notary Public Bronx Co. Clerk's No. 201
Cert. filed in N. Y. Co. No. 912, Reg. No. 2-K-559
Commission expires March 30th, 1932

(Notarial Seal)

11540

Government's Exhibit No. 635

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from June 1, 1930 to June 30, 1930, inclusive, by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wallboard	5,612,367	\$24.98	\$140,197.02	\$4,429.86	\$1,898.50
Gypsum Wallboard Seconds ..	952	20.00	19.04	.60	.26
Gypsum Lath	2,078,510	15.38	31,971.29	1,010.20	432.94
Gypsum Wallboard Export ..	198,428	24.74	4,909.50	155.13	66.49
	<u>7,890,257.</u>	<u>\$22.45</u>	<u>\$177,096.85</u>	<u>\$5,595.79</u>	<u>\$2,398.19</u>
Less:					
Adjustments & Allowances					
Errors in Pricing		\$1,429.22			
Errors in Commission		124.18			
Errors in Shipping		26.65			
Errors in Freight		857.63			
Errors in Billing		157.76			
Returned Material		—			
Equalization of Freight		7,467.26			
Freight on Returned Goods		—			
Policy		319.00			
Defective		—			
London & Canada		\$0.85			
Extra Cost of Export Packing		1,167.55			
Freight to Distributing Whse.		2,173.18			
			<u>\$ 13,386.06</u>		
Total			\$163,710.79		
Less Cash Discount			2,848.57		
Net Sales			<u>\$160,862.22</u>		
Total Royalty at 5% for Wallboard				<u>\$ 8,043.11</u>	
Current Royalty at 3½%			\$5,595.79		
Back Royalty at 1½%			2,398.19		
				<u>\$8,043.11</u>	
Bundle Royalty—1,599,068 sq. ft. at 10¢ M.			159.91		
Grand Total			<u>\$ 8,203.02</u>		

6442

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG,

Sworn to and subscribed before me
at New York, N. Y.
this 15th day of July, 1930

GERRIT H. KIP

Notary Public Bronx Co. Clerk's No. 201
Cert. filed in N. Y. Co. No. 912, Reg. No. 2-K-559
Commission expires March 30th, 1932

(Notarial Seal)

11541

Government's Exhibit No. 636

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from July 1, 1930 to July 31, 1930, inclusive, by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wallboard	4,572,280	\$25.48	\$116,500.16	\$3,688.51	\$1,580.79
Gypsum Wallboard Seconds ..	344	21.05	7.24	.23	.10
Gypsum Lath	1,803,992	15.63	28,191.74	892.58	382.53
Gypsum Wallboard Export ...	606,976	25.49	15,473.11	489.90	209.96
	<u>6,983,592</u>	<u>\$22.94</u>	<u>\$160,172.25</u>	<u>\$5,071.22</u>	<u>\$2,173.38</u>
Less:					
Adjustments and Allowances					
Errors in Pricing		\$ 254.74			
Errors in Commission		71.53			
Errors in Shipping		217.85			
Errors in Freight		220.89			
Errors in Billing		31.35			
Returned Material		7.85			
Equalization of Freight		6,055.07			
Freight on Returned Goods		5.00			
Policy		122.77			
Defective		4.75			
London & Canada		337.80			
Extra Cost of Export Packing		3,748.56			
Freight to Distributing Whse.		2,078.09	12,714.47		
Total			<u>\$147,457.78</u>		
Less Cash Discount			2,565.76		
Net Sales			<u>\$144,892.02</u>		
Total Royalty @ 5%			<u>\$ 7,244.60</u>		
Current Royalty @ 3½%		\$5,071.22			
Back Royalty @ 1½%		2,173.38			
		<u>7,244.60</u>			
Bundle Royalty—1,289,674 sq. ft.			128.97		
Total Royalty			<u>\$ 7,373.57</u>		

6444

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, N. Y.
this 14th day of August, 1930

11542

Government's Exhibit No. 637

Statement of plaster wallboard and gypsum wallboard manufactured and sold during the period from August 1, 1930, to August 31, 1930, inclusive, by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wallboard	2,392,171	\$25.13	\$60,117.76	\$1,894.39	\$ 811.89
Gypsum Wallboard Seconds	1,160	27.00	31.32	.99	.42
Gypsum Lath	2,137,006	15.02	32,105.18	1,011.67	433.57
Gypsum Wallboard Export	137,463	21.96	3,018.97	95.13	40.77
	<u>4,668,400</u>	<u>\$20.41</u>	<u>\$95,273.23</u>	<u>\$3,002.18</u>	<u>\$1,286.65</u>
Less:					
Adjustments and Allowances					
Errors in Pricing		\$ 344.64			
Errors in Commission		—			
Errors in Shipping		4.00			
Errors in Freight		347.54			
Errors in Billing		4.30			
Returned Material		360.49			
Equalization of Freight		3,180.42			
Freight on Returned Goods		—			
Policy		139.58			
Defective		—			
London & Canada		272.46			
Extra Cost of Export Packing		1,115.67			
Freight to Distributing Whse.		2,208.48	7,977.58		
Total			<u>\$87,295.65</u>		
Less Cash Discount			1,518.94		
Net Sales			<u>\$85,776.71</u>		
Total Royalty @ 5%				\$ 4,288.83	
Current Royalty @ 3½%			\$3,002.18		
Back Royalty @ 1½%			1,286.65		
			<u>\$4,288.83</u>		
Bundle Royalty—1,597,760 sq. ft.			\$ 159.78		
Total Royalty			<u><u>\$ 4,448.61</u></u>		

6446

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

Geo. P. Krug

Sworn to and subscribed before me
at New York, N. Y.
this 15th day of September, 1930

GERBERT H. KIP

Notary Public Bronx Co. Clerk's No. 201
Cert. filed in N. Y. Co. No. 912, Reg. No. 2-K-559
Commission expires March 30th, 1932

11543

Government's Exhibit No. 638

Statement of plaster wallboard and gypsum wallboard manufactured and sold during the period from September 1, 1930 to September 30, 1930, inclusive, by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wallboard	3,258,565	\$25.765	\$ 83,958.06	\$2,727.39	\$1,168.89
Gypsum Wallboard Seconds ..	—	—	—	—	—
Gypsum Lath	1,748,630	14.645	25,609.43	831.93	356.54
Gypsum Wallboard Export ..	165,752	21.857	3,622.80	117.70	50.44
	<u>5,172,947</u>	<u>\$21.881</u>	<u>\$113,190.29</u>	<u>\$3,677.02</u>	<u>\$1,575.87</u>
Less:					
Adjustments and Allowances					
Errors in Pricing		\$ 108.24			
Errors in Commission		52.41			
Errors in Shipping		23.16			
Errors in Freight		216.08			
Errors in Billing		161.99			
Returned Material		2.81			
Equalization of Freight		3,270.89			
Freight on Returned Goods		—			
Policy		41.44			
Defective		99.97			
London & Canada		50.83			
Export Cost of Export Packing		604.30			
Freight to Distributing Whse.		1,744.76	6,272.06		
Total			\$106,918.23		
Less Cash Discount			1,860.38		
Net Sales			\$105,057.85		
Total Royalty @ 5%			\$ 5,252.89		
Current Royalty @ 3½%			\$3,677.02		
Back Royalty @ 1½%			1,575.87		
			<u>\$5,252.89</u>		
Bundle Royalty—1,037,408 sq. ft.			\$ 103.74		
Total Royalty			<u>\$ 5,356.63</u>		

6448

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and subscribed before me
at New York, New York
this 18th day of October, 1930

GERRIT H. KIP

Notary Public Bronx Co. Clerk's No. 201
Cert. filed in N. Y. Co. No. 912, Reg. No. 2-K-559
Commission expires March 30th, 1932

(Notarial Seal)

11544

Government's Exhibit No. 639

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from October 1, 1930, to October 31, 1930, inclusive, by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wallboard	4,066,624	\$25.486	\$103,641.63	\$3,377.90	\$1,447.67
Gypsum Wallboard-Seconds ..					
Gypsum Lath	2,018,805	14.931	30,142.44	982.41	421.03
Gypsum Wallboard Export ..	24,936	25.239	629.36	20.53	8.80
	6,110,365	\$21.998	\$134,413.43	\$4,380.84	\$1,877.50
Less:					
Adjustments & Allowances					
Errors in Pricing		\$ 100.05			
Errors in Commission		210.94			
Errors in Shipping		24.54			
Errors in Freight		381.62			
Errors in Billing		907.53			
Returned Material		9.06			
Equalization of Freight		2,860.02			
Freight on Returned Goods					
Policy		299.68			
Defective		610.71			
London & Canada		44.07			
Export Cost of Export Packing		837.34			
Freight to Distributing Whse.		744.55	7,030.11		
Total			\$127,383.32		
Less Cash Discount @ .0174			2,216.47		
Net Sales			125,166.85		
Total Royalty @ 5% for October			\$ 6,258.34		
Current Royalty @ 3 1/4%		\$4,380.84			
Back Royalty @ 3 1/4%		1,877.50			
			\$6,258.34		
Bundle Royalty—1,372,604 sq. ft.			\$ 137.26		
Total Royalty			\$ 6,395.60		

6450

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

Geo. P. Krug

Sworn to and subscribed before me
at New York, New York
this 14th day of November, 1930

GERRIT H. KIP
Notary Public Bronx Co. Clerk's No. 201
Cert. filed in N. Y. Co. No. 912, Reg. No. 2-K-559
Commission expires March 30th, 1932

11545

Government's Exhibit No. 640

Statement of plaster wall board and gypsum wall board manufactured and sold during the period from January 1st, 1931 to January 31st, 1931, inclusive, by the Certain-teed Products Corporation, licensee under agreement dated May 22, 1929, between the United States Gypsum Company and Certain-teed Products Corporation.

	Square Ft.	Average Selling Price	Amount	Royalty	
				Current	Fixed Sum
Gypsum Wallboard	3,634,480	\$25.6803	\$ 93,334.81	\$3,059.49	\$1,311.20
Gypsum Wallboard Seconds	—	—	—	—	—
Gypsum Lath	1,609,414	14.7926	23,807.34	780.39	334.46
Gypsum Wallboard Export	26,420	30.2324	798.74	26.18	11.22
	<u>5,270,314</u>	<u>\$22.3783</u>	<u>\$117,940.69</u>	<u>\$3,866.06</u>	<u>\$1,656.88</u>
Less:					
Adjustments and Allowances					
Errors in Pricing		\$ 402.57			
Errors in Commission		58.40			
Errors in Shipping		—			
Errors in Freight		133.67			
Errors in Billing		—			
Returned Material		44.42			
Equalization of Freight		2,841.01			
Freight on Returned Goods		—			
Policy		25.95			
Defective		—			
London & Canada		33.35			
Export Cost of Export Packing		999.95			
Freight to Distributing Whse.		986.56			
Total		<u>\$5,525.88</u>	<u>\$112,414.81</u>		
Less Cash Discount			<u>1,956.02</u>		
Net Sales			<u>\$110,458.79</u>		
Current Royalty @ 3½%		\$3,866.06			
Back Royalty @ 1½%		<u>1,656.88</u>			
			<u>\$ 5,522.94</u>		
Bundle Royalty—1,055,425 sq. ft.			<u>\$ 105.54</u>		
Total Royalty			<u>\$ 5,628.48</u>		

6452

State of New York)
County of New York) ss

I, George P. Krug, being duly sworn, depose and say that I am General Auditor of the Certain-teed Products Corporation, that I have read the foregoing statement and that the same is true and correct to the best of my knowledge and belief.

GEO. P. KRUG

Sworn to and Subscribed before me
at New York, New York
this 17th day of February, 1931

GERRIT H. KIP
Notary Public Bronx Co. Clerk's No. 201
Cert. filed in N. Y. Co. No. 912, Reg. No. 2-K-559
Commission expires March 30th, 1932

(Notarial Seal)

11546

*Government's Trial Exhibit No. 641***BESTWALL****A BETTER SYSTEM OF WALL AND CEILING CONSTRUCTION**

The sample enclosed is an actual section cut from a piece of Bestwall.

Bestwall comes in pieces three-eighths of an inch thick, forty-seven and five eighths inches wide, and is made in stock lengths of 6, 7, 8, 8½ and 10 feet. It is purposely made a little less than forty-eight inches wide to simplify setting and filling and finishing the joints.

You can always identify Bestwall by the distinctive Bestwall trade-mark on the back of each piece and the exclusive Bestwall tapered edge.

THE BEAVER PRODUCTS COMPANY, INC.
BUFFALO, N. Y.

11547 *Government's Trial Exhibit No. 643*

This exhibit consists of A. S. Speer patent No. 1,790, 252 reproduction follow hereafter.

Jan. 27, 1931.

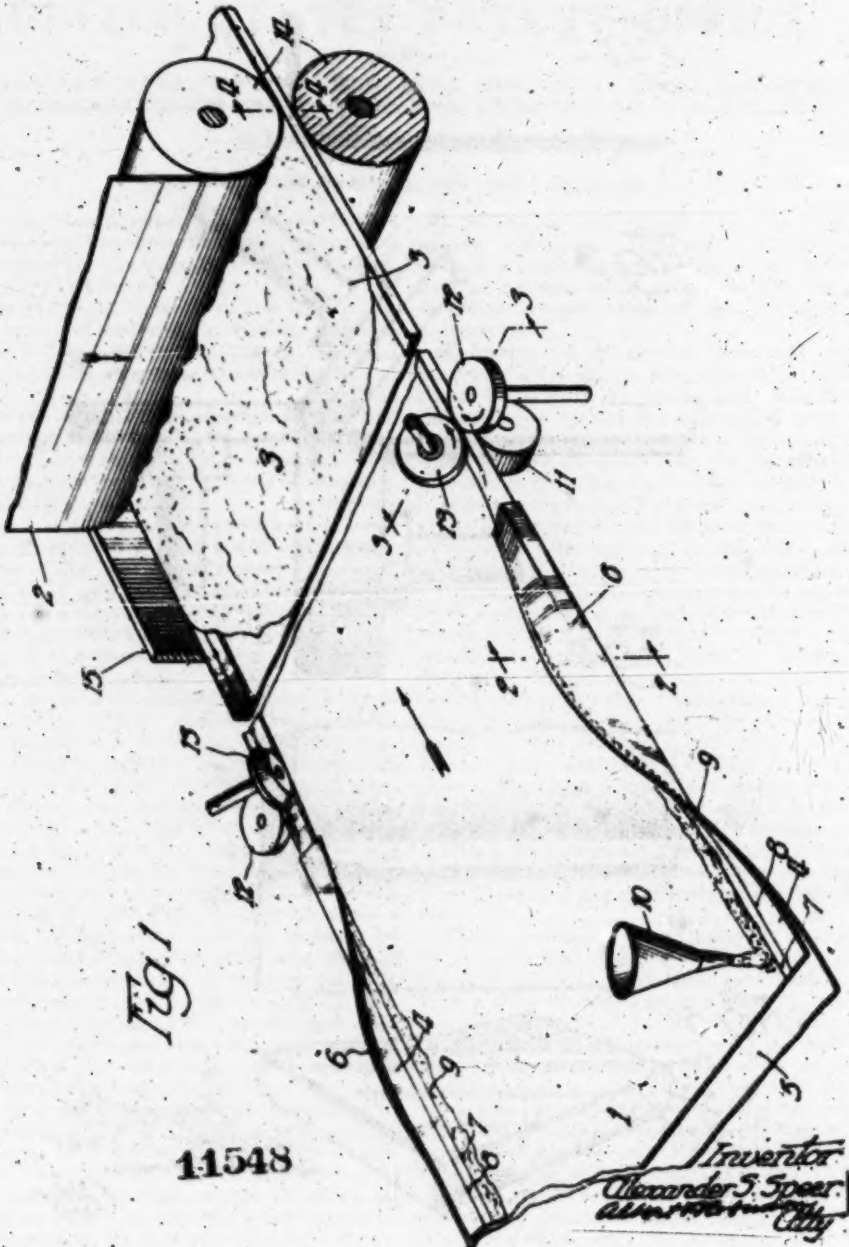
A. S. SPEER

1,790,252

PLASTER BOARD MANUFACTURE

Filed Jan. 12, 1927

2 Sheets-Sheet 1



Jan. 27, 1931.

A. S. SPEER

1,790,252

PLASTER BOARD MANUFACTURE

Filed Jan. 12, 1927

2 Sheets-Sheet 2

Fig. 2.



Fig. 3.

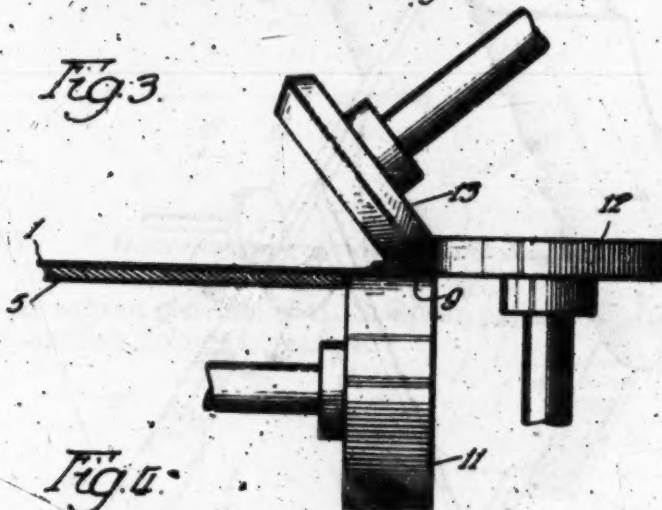


Fig. 4.

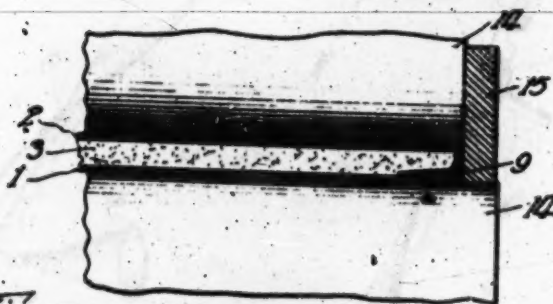
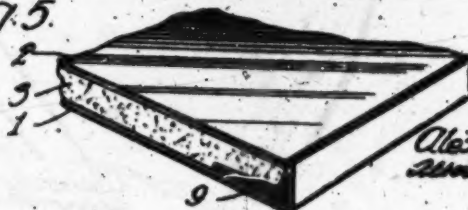


Fig. 5.



Inventor
Alexander S. Speer
By *[Signature]*
City

Patented Jan. 27, 1931

1,790,252

UNITED STATES PATENT OFFICE

ALEXANDER A. SPEER, OF BUFFALO, NEW YORK, ASSIGNOR, BY HIS ASSIGNEE,
TO CERTAIN-FIBRE PRODUCTS CORPORATION, A CORPORATION OF MARYLAND

PLASTER-BOARD MANUFACTURE

Application filed January 12, 1927. Serial No. 100,593.

This invention pertains to the manufacture of composite boards and the like, and among other objects aims to provide a new and superior type of board.

The invention consists in the novel combinations and methods herein described or claimed, for carrying out the above object and such other objects as will hereinafter appear.

The character of the invention may be best understood by referring to one illustrative construction embodying the invention, such as that shown for example, in the accompanying drawings, in which:

Fig. 1 is a view in perspective of a board forming apparatus and board during the process of the board construction;

Fig. 2 is a view taken on line 2-2 of Fig. 1;

Fig. 3 is a view taken on line 3-3 of Fig. 1;

Fig. 4 is a view taken on line 4-4 of Fig. 1;

Fig. 5 is a perspective view of the completely formed board.

The illustrative composite board is typified herein by a plaster board or the like which is composed of a plastic body material contained between two fibrous cover sheets, one at least of the cover sheets having its margins folded and strengthened to reinforce the corners and edges of the plastic body.

In the present instance, the margins of the bottom sheet are folded over the edges of the plastic body and retroverted to reinforce the edges and corners of the sheet, there being a colored strengthening material inclosed by the margins to further reinforce the edges of the sheet and render a distinctive marking to the finished board. While only the bottom sheet is illustrated with overturned edges it will be understood that the margins of the upper sheet may be appropriately folded or reinforced and made distinctive.

According to the illustrative method of manufacture the board is made in a continuous strip with one of the cover sheets preformed into a trough-like container or mold and also advantageously reinforced along the edges, and after an interval plastic material is deposited in the container or mold and covered with another cover sheet. Thus constructed, the board is then subjected to form-

ing devices or rolls which reduce it to the proper thickness. At any appropriate period, subsequently to forming, the board may be cut into suitable lengths and transferred to dryers where all excess moisture is removed.

Referring to illustrative apparatus and process shown in the drawings, two cover sheets 1 and 2 are fed from supply rolls into the receiving end of the apparatus, sheet 1 being first formed to receive a plastic body material 3 and the other sheet 2 being adhered thereto for covering the body material.

Bottom cover sheet 1 is constructed to provide distinctive and reinforced edges, and is adapted to form a trough or receptacle into which the plastic body may be poured and contained during the formation of the board. Such a structure is accomplished in this instance, by turning or folding margins 4 upwardly and retroverting them to inclose a distinctive plaster core which will have first been deposited in a thin ribbon along the margins of the sheet, after which the core is subjected to pressure for accelerating setting thereof and intimately bonding it to the sheet. The sheet is cut to the proper width and traversed over plate 5 which has on opposite sides folding horns 6 to engage and overturn the margins. Folding of the margins is facilitated by scoring the sheet along lines 7 and 8 by any conventional scoring device.

Plastic material 9 advantageously distinctively colored, is deposited on the bottom sheet along the margins of the sheet near score line 7 in a thin stream from a source 10, after which it is inclosed by the folded margins and pressed into a thin layer with the folded margins approximating the contour of the underlying sheet. This plastic material may advantageously differ in kind or color from that plastic material which makes up the body of the board, or it may differ only in color. It will be referred to throughout the specification and claims as colored plastic material to distinguish from the plaster body material. The colored plaster, for example, may be ordinary gypsum plaster colored red to contrast with its original color which is substan-

tially white. Or the colored plaster may be of a material which will not only produce distinctive edges but one specially prepared which will also give strengthened or reinforced edges. Edges which contrast with the main body portion of the board are distinguishing and distinctive, thereby serving admirably for trade-mark purposes.

After being folded to enclose the colored plaster, the margins of the lower sheet are subjected to pressure means which accelerate the setting of the plaster, bond the plaster to the sheet and form the margins into the desired shape. Pressure means for shaping the edges are illustrated by supporting roll 11 over which the paper traverses, edge roll 12, and pressure roll 13. Supporting roll 11 and edge roll 12 are cylindrical in configuration and are preferably arranged at right angles to each other to provide a square corner on the sheet. Pressure roll 13 has a double conical periphery for cooperating with the overturned margin to carry the folded edges inwardly and to squeeze the colored plaster into a relatively thin layer which is intimately bonded with the sheet. Pressure hastens setting, and hence the formed edges are rigid and strong enough to act as a trough for receiving and holding the plaster. Rollers of different contour or the present rollers differently arranged will give various shapes to the overturned margins and the colored plaster. After the pressure is applied to the margins, the sheet is thus formed into a substantial rigid trough-like container ready to receive the plaster body material which is distributed uniformly over the sheet between the upturned edges.

Top sheet 2 is narrowed to the proper width and brought into union with the plaster as the board thus constructed is subjected to pressure rolls 14. Preferably sheet 2 is narrowed to seat on the plaster body and lie substantially flush with the upturned edges. The colored plaster is sufficiently rigid to retain the shape of the edges during the time that the board is subjected to the forming rolls, altho plates 15 may be advantageously located on each side of the machine to contact with the edges, thereby preventing any deformation which might occur when the board is subjected to the forming rolls.

It will be obvious from the foregoing disclosure, that my invention is not limited to the details of the illustrative embodiment above described, since these may be variously modified. Moreover, it is not indispensable that all features of my invention be used conjointly, since it will be obvious to those skilled in the art, that various schemes may be advantageously employed in various other combinations and subcombinations.

Having described one embodiment of my invention, I claim:

1. A plaster board comprising a plaster

body, cover sheets for facing the body, margins on one of the cover sheets being folded over the edge of the body and retroverted, and plaster material inclosed within the folds to reinforce the edge of the board.

2. A plaster board comprising a plaster body, cover sheets for facing opposite sides of the body, margins of one cover sheet being upturned over the edge of the body and retroverted to reinforce the upturned edge and a substantial portion of sheet adjacent the upturned edge, and plaster material inclosed within the retroverted margin.

3. In an article of manufacture, a fibrous sheet, margins of the sheet folded at an angle to the said sheet to provide upturned edges and then retroverted, and an adhesive material for bonding the margins of the sheet.

4. In an article of manufacture, a fibrous sheet having the margins thereof folded at an angle to provide reinforced upturned edges between which a plastic mass is adapted to be contained, and means for retaining the margins in folded position.

5. In an article of manufacture, a fibrous sheet having the margins thereof folded at an angle to provide reinforced upturned edges between which a plastic mass is adapted to be contained, and plaster means bonded to the margins to retain same in folded position.

6. In an article of manufacture, a fibrous sheet having the margins thereof folded at an angle thereto to provide upturned edges, a plaster material deposited on the sheet adjacent the folded edge, and an extension of the margins retroverted towards the sheet to enclose the plaster material.

7. The method of fabricating composition board characterized by feeding a film of adhesive along the margins of a fibrous sheet, folding the margins of the sheet at an angle thereto to provide upturned edges, and compressing the adhesive into contact with the folded margins.

8. The method of fabricating composition board characterized by feeding a ribbon of adhesive along the margins of a fibrous sheet, folding the margins of the sheet at an angle thereto to provide upturned edges, retroverting a portion of the margins over the adhesive, applying pressure to the adhesive, and filling the space between the upturned edges with plastic material.

9. The method of fabricating composition board characterized by feeding a ribbon of plastic material along the margins of a fibrous sheet, folding the margins of the sheet at an angle thereto, retroverting a portion of the margins over the plastic material, accelerating the setting of the plastic material to support the folding margins, feeding a plastic material between the folded margins, and adhering a face sheet to the plastic material.

6459
746095 10-187

1,790,888

3

10. The method of fabricating composition board by feeding a ribbon of plastic material along the margins of a fibrous sheet, folding the margins at an angle to the sheet, applying pressure to the plastic ribbon, depositing plastic material between the folded margins, and facing the plastic material with a cover sheet.

11. The method of fabricating composition board characterized by feeding a colored plastic material along the margins of a fibrous sheet, retroverting the margins over the colored plastic material, folding the retroverted margins at an angle to the sheet to provide edges, depositing plastic material between the edges, and adhering a cover sheet to the plastic material.

In testimony whereof I affix my signature.

ALEXANDER S. SPEER.

11552

746095 10188

DEPARTMENT OF COMMERCE
UNITED STATES PATENT OFFICE

To all persons to whom these presents shall come, Greeting:

IT IS TO CERTIFY that the annexed is a true copy from the records of this
office of the File Wrapper and Contents, with exception of
Printed Specification and Drawings, in the matter of the

Letters Patent of

Alexander S. Speer, Assignor, by Mesne
Assignments, to Certain-Teed Products
Corporation,

Number 1,790,252,

Granted January 27, 1931,

for

Improvement in Plaster-Board Manufacture.

This certified copy ordered by the Justice Department.

IN TESTIMONY WHEREOF I have hereunto set my
hand and caused the seal of the Patent Office to be
affixed at the City of Washington, this fourth
day of April, in the year of our Lord
one thousand nine hundred and forty-four
and of the Independence of the United States of
America the one hundred and sixty-eighth.

ATTENT:

F. A. Coulter
Acty. Chief of Division.

Commy P. C.
Commissioner of Patents.

160585

1927

PATENT NO. 179025

DATED JAN 27 1927

EXR'S BOOK 62-8

L-101-8

Name ALEXANDER S. SPEER

Inventor of the Plaster Board Manufacture, Inc., a corp. of New York
Plaster Board Manufacture, a corp. of Maryland

of BUFFALO
 State of NEW YORK

Invention PLASTER BOARD MANUFACTURE

ORIGINAL

RENEWED

APPLICATION FILED COMPLETE JAN 12 1927

Petition, Specification,
 Oath, First Fee \$20, JAN 12 1927
 2 sheets Drawings,

RECEIVED

Examined and passed for issue JUL 2 - 1930

Notice of Allowance JUL 2 - 1930

Final Fee \$25 JUL 29 1930

Attorney ALBERT F. HARRISON C/O THE BEAVER PRODUCTS CO. INC. BUFFALO N.Y.

Address of Inventor 420 Lexington Ave., New York N.Y.

No. of Claims allowed 11

Title as allowed Plaster Board Manufacture

Examined and passed for issue

Notice of Allowance

Final Fee

Attorney

Address of Inventor

No. of Claims allowed

Title as allowed

25 CO
JAN 1927
25
TO THE COMMISSIONER OF PATENTS:

Your petitioner, Alexander S. Speer, a citizen of the United States, residing at Buffalo, in the County of Erie, State of New York, whose post office address is 100 Mayow Avenue, Buffalo, New York, prays that Letters Patent may be granted to him for improvements in

PLASTER BOARD MANUFACTURE

as set forth in the annexed specification.

And he hereby appoints Albert F. Robinson, c/o The Beaver Products Company, Inc., Buffalo, N.Y., his Attorney, with full power of substitution and revocation, to prosecute this application, to make alterations and amendments therein, to sign the drawings, to receive the Patent, and to transact all business in the Patent Office connected therewith.

Signed at *Buffalo*, in the county of *Erie*, and State of *New York*, this *18th* day of *January*, 1927.

Alexander S. Speer
(INVENTOR'S FULL NAME)

SPECIFICATION

TO ALL WHOM IT MAY CONCERN:

BE IT KNOWN, that I, Alexander S. Speer, a citizen of the United States, residing in the City of Buffalo, County of Erie, State of New York, have invented certain new and useful improvements in

PLASTER BOARD MANUFACTURE

and I do hereby declare the following to be a full, clear and exact description of the invention, such as will enable others skilled in the art to which it appertains, to make and use the same:

Forster

This invention pertains to the manufacture of composite beards and the like, and among other objects aims to provide a new and superior type of beard.

The invention consists in the novel combinations and methods, herein described or claimed, for carrying out the above object and such other objects as will hereinafter appear.

The character of the invention may be best understood by referring to one illustrative construction embodying the invention, such as that shown for example, in the accompanying drawings, in which:

Fig. 1 is a view in perspective of a beard forming apparatus and beard during the process of the beard construction;

Fig. 2 is a view taken on line 2 -- 2 of Fig. 1;

Fig. 3 is a view taken on line 3 -- 3 of Fig. 1;

Fig. 4 is a view taken on line 4 -- 4 of Fig. 1;

Fig. 5 is a perspective view of the completely formed beard.

The illustrative composite beard is typified herein by a plaster beard or the like which is composed of a plastic body material contained between two fibrous cover sheets, one at least of the cover sheets having its margins folded and strengthened to reinforce the corners and edges of the plastic body. In the present instance, the margins of the bottom sheet are folded over the edges of the plastic body and retroverted to reinforce the edges and corners of the sheet, there being a colored strengthening material inclosed by the margins to further reinforce the edges of the sheet and render a distinctive marking to the finished beard. While only the bottom sheet is illustrated with overturned edges it will be understood that the margins of the upper sheet may be appropriately folded or reinforced and made distinctive.

According to the illustrative method of manufacture the

0.8. 2 ~~board~~ ^{material} is made in a continuous strip with one of the cover sheets ~~formed~~ into a trough-like container or mold and also advantageously reinforced along the edges, and after an interval plastic material is deposited in the container or mold and covered with another cover sheet. Thus constructed, the board is then subjected to forming devices or rolls which reduce it to the proper thickness. At any appropriate period, subsequently to forming, the board may be cut into suitable lengths and transferred to dryers where all excess moisture is removed.

Referring to illustrative apparatus and process shown in the drawings, two cover sheets 1 and 2 are fed from supply rolls into the receiving end of the apparatus, sheet 1 being first formed to receive a plastic body material 3 and the other sheet 2 being adhered thereto for covering the body material.

Bottom cover sheet 1 is constructed to provide distinctive and reinforced edges, and is adapted to form a trough or receptacle into which the plastic body may be poured and contained during the formation of the board. Such a structure is accomplished in this instance, by turning or folding margins 4 upwardly and retroverting them to inclose a distinctive plastic core which will have first been deposited in a thin ribbon along the margins of the sheet, after which the core is subjected to pressure for accelerating setting thereof and intimately bonding it to the sheet. The sheet is cut to the proper width and traversed over plate 5 which has on opposite sides folding bars 6 to engage and overturn the margins. Folding of the margins is facilitated by scoring the sheet along lines 7 and 8 by any conventional scoring device.

plastic material 3 advantageously distinctively colored, is deposited on the bottom sheet along the margins of the sheet near score line 7 in a thin stream from a source 10, after which it is inclosed by the folded margins and pressed into a thin layer with the folded margins approximating the contour of the underlying

sheet. This plastic material may advantageously differ in kind or color from that plastic material which makes up the body of the board, or it may differ only in color. It will be referred to throughout the specification and claims as colored plastic material to distinguish from the plaster body material. The colored plaster, for example, may be ordinary gypsum plaster colored red to contrast with its original color which is substantially white. Or the colored plaster may be of a material which will not only produce distinctive edges but one specially prepared which will also give strengthened or reinforced edges. Edges which contrast with the main body portion of the board are distinguishing and distinctive, thereby serving admirably for trade-mark purposes.

After being folded to enclose the colored plaster, the margins of the lower sheet are subjected to pressure means which accelerate the setting of the plaster, bond the plaster to the sheet and form the margins into the desired shape. Pressure means for shaping the edges are illustrated by supporting roll 11 over which the paper traverses, edge roll 12, and pressure roll 13. Supporting roll 11 and edge roll 12 are cylindrical in configuration and are preferably arranged at right angles to each other to provide a square corner on the sheet. Pressure roll 13 has a double edical periphery for cooperating with the overturned margin to carry the folded edges inwardly and to squeeze the colored plaster into a relatively thin layer which is intimately bonded with the sheet. Pressure hastens setting, and hence the formed edges are rigid and strong enough to act as a trough for receiving and holding the plaster. Rollers of different contour or the present rollers differently arranged will give various shapes to the overturned margins and the colored plaster. After the pressure is applied to the margins, the sheet is thus formed into a substantial rigid trough-like container ready to receive the plaster body material

which is distributed uniformly over the sheet between the upturned edges.

Top sheet 2 is narrowed to the proper width and brought into union with the plaster as the board thus constructed is subjected to pressure rolls 14. Preferably sheet 2 is narrowed to seat on the plaster body and lie substantially flush with the upturned edges. The colored plaster is sufficiently rigid to retain the shape of the edges during the time that the board is subjected to the forming rolls, altho plates 15 may be advantageously located on each side of the machine to contact with the edges, thereby preventing any deformation which might occur when the board is subjected to the forming rolls.

It will be obvious from the foregoing disclosure, that my invention is not limited to the details of the illustrative embodiment above described, since these may be variously modified. Moreover, it is not indispensable that all features of my invention be used conjointly, since it will be obvious to those skilled in the art, that various schemes may be advantageously employed in various other combinations and subcombinations.

Having described one embodiment of my invention, I claim:

(X)

*Blue Boy
Answers*
1. A plaster board comprising a body material, cover sheets for facing the opposite sides of the body material, and colored material deposited along the edges of the body material to contrast therewith and provide a distinctive edge for the board.

from answer
2. A plaster board comprising a plastic body material, cover sheets for facing the opposite sides of the plastic material, and a plastic material contrasting in color with the body material for making the edges of the board distinctive.

substantive
3. A plaster board comprising a plastic body, cover sheets for facing the body, a strip adhered to the edge of the plaster body, and means located adjacent the strip to contrast with the color of the plastic body.

*do
see C
Feb 12
B*
4. A plaster board comprising a plastic body, cover sheets for facing the body, one of said sheets having margins overturned to engage the edge of the body, and means inserted between the overturned margins and the plastic body to provide a contrasting color along the edges.

see 1
5. A plaster board comprising a plaster body, cover sheets for facing the body, margins on one of the cover sheets being folded over the edge of the body and retroverted, ^{*plaster material*} and ~~means~~ inclosed within the folds to reinforce the edge of the board.

6. A plaster board comprising a plaster body, cover sheets for facing opposite sides of the body, margins of one cover sheet being upturned over the edge of the body and retroverted to reinforce the upturned edge and a substantial portion of sheet adjacent the upturned edge, and plaster material inclosed within the retroverted margin.

25
7. In an article of manufacture, a fibrous sheet, margins of the sheet folded edge and then retroverted of the sheet folded at an angle to the said sheet, and an adhesive material for bonding the margins of the sheet.

4.2. In an article of manufacture, a fibrous sheet having the margins thereof folded at an angle to provide reinforced edges, and means for retaining the margins in folded position. *h2*

5.3. In an article of manufacture, a fibrous sheet having the margins thereof folded at an angle to provide reinforced edges, and plaster means bonded to the margins to retain same in folded position. *h3*

6.34. In an article of manufacture, a fibrous sheet having the margins thereof folded at an angle thereto to provide reinforced edges, a plaster material deposited on the sheet adjacent the folded edge, and an extension of the margins retroverted towards the sheet to enclose the plaster material. *h3*

7.35. The method of fabricating composition board characterized by feeding a film of adhesive along the margins of a fibrous sheet, folding the margins of the sheet at an angle thereto, and compressing the adhesive into contact with the folded margins. *h3*

8.36. The method of fabricating composition board characterized by feeding a ribbon of adhesive along the margins of a fibrous sheet, folding the margins of the sheet at an angle thereto, retroverting a portion of the margins over the adhesive, and applying pressure to the adhesive. *h3*

9.37. The method of fabricating composition board characterized by feeding a ribbon of plastic material along the margins of a fibrous sheet, folding the margins of the sheet at an angle thereto, retroverting a portion of the margins over the plastic material, accelerating the setting of the plastic material to support the folding margins, feeding a plastic material between the folded margins, and adhering a face sheet to the plastic material. *h3*

10.38. The method of fabricating composition board by feeding a ribbon of plastic material along the margins of a fibrous sheet, folding the margins at an angle to the sheet, applying pressure

to the plastic ribbon, depositing plastic material between the folded margins, and facing the plastic material with a cover sheet.

N. 35. The method of fabricating composition board characterized by feeding a colored plastic material along the margins of a fibrous sheet, *filling the adhered margins at an angle to the sheet to provide edges,* retroverting the margins over the colored plastic material, depositing plastic material between the *edges* margins, and adhering a cover sheet to the plastic material.

Handwritten notes:
- "adhered" is written above "adhering" in the first sentence.
- "edges" is written above "margins" in the second sentence.
- "filling the adhered margins at an angle to the sheet to provide edges," is written in italics above the main text.
- "adhering" is written above "adhering" in the second sentence.
- "edges" is written above "edges" in the second sentence.
- "margins" is written above "margins" in the second sentence.
- "cover sheet" is written above "cover sheet" in the second sentence.

le
IN TESTIMONY WHEREOF I affix my signature.

5120

Alexander S. Speer
(INVENTOR'S FULL NAME)

OATH

STATE OF NEW YORK)
COUNTY OF ERIE) ss

I, ALEXANDER S. SPEER, the above-named petitioner, being duly sworn, depose and say that I am a citizen of the United States and a resident of Buffalo, New York, and that I verily believe myself to be the original, first and sole inventor of the improvements in

PLASTER BOARD MANUFACTURE

described and claimed in the annexed specification; that I do not know and do not believe that the same was ever known or used before my invention or discovery thereof, or patented or described in any printed publication in any country before my invention or discovery thereof, or more than two years prior to this application or in public use or on sale in the United States for more than two years prior to this application; that said invention has not been patented in any country foreign to the United States on an application filed by me or my legal representatives or assigns more than twelve months prior to this application; and that no application for patent on said improvements has been filed by me or my representatives or assigns in any country foreign to the United States.

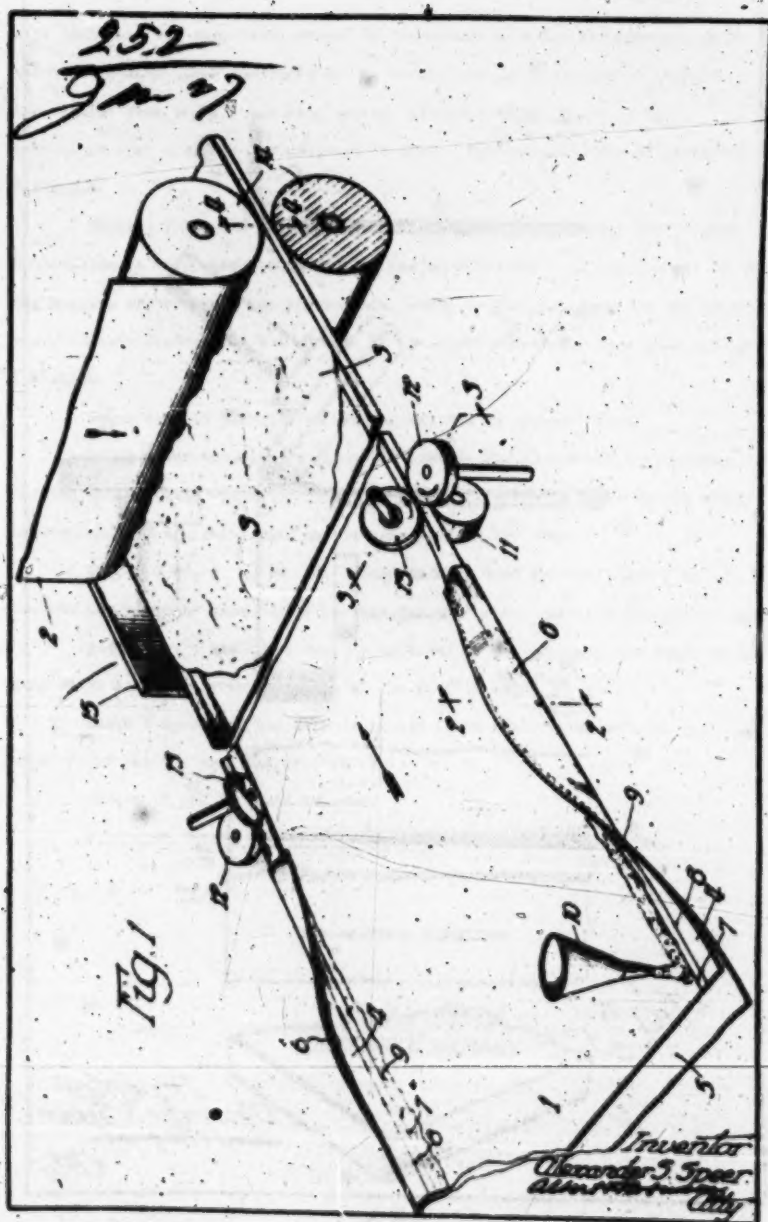
Alexander S. Speer
(INVENTOR'S FULL NAME)

Subscribed and sworn to before me this 11th day of January 1917.

(SEAL)

W. H. S. [Signature]
(NOTARY PUBLIC OR OTHER OFFICIAL)
(OFFICIAL CAPTION)

160585



36

9-154-2

161585

Fig 2



Fig 3

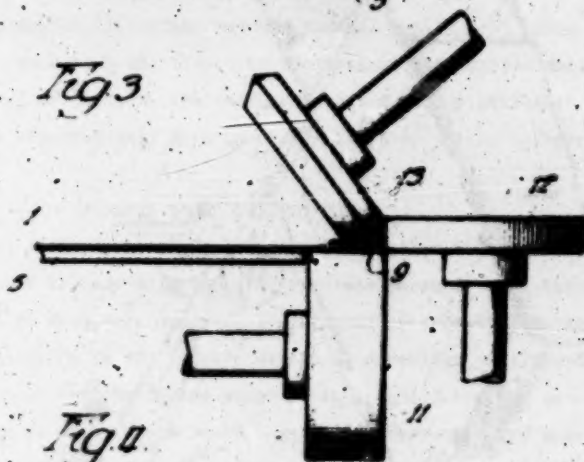


Fig 4

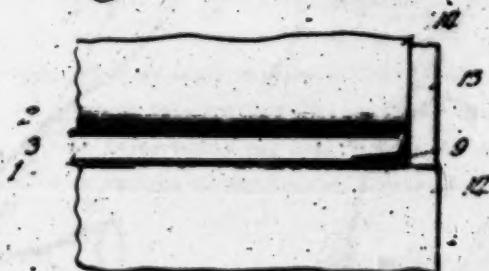


Fig 5



Inventor
Alexander S. Spear

Att'y

edge portions, the same being formed by intermingling colloidal material with the plastic mass along the edges of the board. While the toughened mixture does differ from the plastic mass in some characteristics there is no disclosure that there is any contrast in color. The case is true of Armstrong 1,878,880.

Figure 1, 255,507 shows an open edge plaster board having the margins retroverted to reinforce the corners of the cover sheets. In applicant's device, the margins of the sheet (or sheets) are folded to provide edges for the plastic mass, thereby reinforcing the corners of the board and at the same time facing the edges.

Johns 618,517 pertains to roofing and not to plaster board.

The colored material is deposited beneath the folded and retroverted margins and hardened, thereby providing substantially rigid edges on the sheet between which the plastic mass may be deposited on the sheet.

Claims 8, 9, 10, 11, 12 and 13 have been further amended to include the upturned edges which provide facing for the edges of the plastic mass.

Claims 1 - 4 inclusive specify material deposited along the edges of the body which contrasts with the color of the plastic body.

Claim 6 specifies the margins of the cover sheet upturned over the edge of the plaster body and retroverted.

Claims 13 and 14 stand allowed.

Favorable reconsideration of the rejected claims is requested.

Respectfully submitted,

Alfred P. Ransom
Attorney for Applicant.

No. 56. Rev. 311

Address only
The Commissioner of Patents
Washington, D. C. 20530
and no fee shall be exacted

DEPARTMENT OF COMMERCE
UNITED STATES PATENT OFFICE
WASHINGTON

Page No. 4

All communications respecting this
application should give the serial number,
date of filing, and name of
the applicant.

JR/jmk

Please find below a communication from the EXAMINER in
charge of this application.

December 7, 1928

James E. Robertson
Commissioner of Patents

Applicant: Alexander S. Speer

Albert F. Robinson,
c/o The Beaver Products
Co., Inc., Buffalo,
N.Y.

Ser. No. 160,565
Filed Jan. 12, 1927
For Plaster Board Manufacture

DEC 7 1928

Responsive to amendment filed Feb. 17, 1928.

The following additional references are made of record:

Trade Mark	228,609	June 7, 1927 used since
		Dec. 6, 1928
Trade Mark	189,933	Sept. 30, 1924 used since
		Nov. 1, 1915

Claims 1, 2 and 3 are again rejected on *ex parte* by over
Armstrong of record. The nature of the composition used at
the edge of the board is such as to give a colored edge.
These claims are also rejected as being met by the trade
marks cited above showing boards having colored edges.

The rejection of claim 4 is repeated. Schumacher shows
the margins overturned to engage the edge of the body. The
specification of the color of the plaster material does not
define any structure over Schumacher who also shows a plastic
material enclosed by the margins. The color has no structural
utility and no cooperative relation with the remaining structure.
The color limitation in claims 1 to 3 is likewise of no patent-
able significance for the same reasons.

Claim 7 is again rejected on Birdsey who shows the margins
folded and an adhesive for binding the margins. The amendment
to this claim cannot be entered since the word "sheets" does
not occur in this claim.

The amendment to claim 15 cannot be entered. The word
"materials" is not found in line 3.

Claims 5, 6, 8 to 14 are allowable.

[Signature]
Examiner.

160583

No. 50 Form 322

DEPARTMENT OF COMMERCE

UNITED STATES PATENT OFFICE

WASHINGTON

IV/VS

Page No. 2

Please find below a communication from the EXAMINER in charge of this application.

Thomas E. Robinson
 Commissioner of Patents

MAILED
 MAR 24 1927

OFF 11-222

Applicant: A. S. Speer

Albert F. Robinson
 The Beaver Products Co. Inc.
 Buffalo, N. Y.

Ser. No. 100,585.
 Filed Jan. 12, 1927
 For Plaster Board Manufacture

References made of record:

Birdsey	1,525,307	Feb. 10, 1925	154-45.9
Brookby	1,469,695	Apr. 8, 1924	154-1A
Armstrong	1,578,230	Mar. 30, 1926	154-24
Schumacher	1,575,143	Mar. 9, 1926	154-45.9
Johns	418,519	Dec. 31, 1989	154-38 I

Claims 1, 2 and 3 are rejected on each of Brookby and Armstrong showing a colored material at the edge of the plaster board.

Claims 4 and 15 are rejected on Schumacher showing a margin of the cover sheet overturned in view of Brookby or Armstrong showing a colored material at the edge of the board.

Claims 5 to 10 are rejected on each of Birdsey and Schumacher showing a retroverted margin with a binding material enclosed within the folded margin such as plaster or glue.

Claims 6, 7 and 8 are also rejected on Johns. Fig. 6 shows a retroverted edge reenforced with a cord.

Claims 11, 12 and 15 are rejected on Birdsey disclosing the steps claimed.

Claims 13 and 14 are allowed.

G. L. Bean
 Examiner.

TM 228,669
in view June 7, 1927
plac 2 in view Dec 9, 1926
TM 159,933
Nov 3, 1926



IN THE UNITED STATES PATENT OFFICE.



In re application of
 Alexander S. Spoor
 PLASTER BOARD MANUFACTURE
 Serial No. 140,505
 Filed - January 15th, 1927.]

Div. 50
 Room 322

FEB 18 1928

DIVISION 50

Buffalo, N.Y.
 February 15th, 1928.

AMENDMENT

Commissioner of Patents,
 Washington,
 D.C.

Sir:

In response to Office Action of March 26th, 1927 please amend the
 above entitled application in the following particulars:

Claim 8, line 3, cancel "means" and insert -- plaster material --

Claim 7, line 2, following "sheets" insert -- to provide upturned edges

and then retroverted --

Claim 9, line 2, cancel "edges" and insert -- upturned edges between
 which a plastic mass is adapted to be contained --

Claim 9, line 2, cancel "edges" and insert -- upturned edges between
 which a plastic mass is adapted to be contained --

Claim 10, line 2, cancel "an edge" and substitute -- upturned edge --

Claim 11, line 3, following "thereof" insert -- to provide upturned
 edges --

Claim 12, line 3, following "thereof" insert -- to provide upturned
 edges; same claim, line 4, cancel "and"; same claim, line 5, following
 "adhesive" change the period (.) to a comma (,) and add -- and filling the
 space between the upturned edges with plastic material --

Claim 13, line 3, following "materials," add -- folding the retroverted
 margins at an angle to the sheet to provide edges; same claim, line 4, cancel
 "margins" and insert -- edges --

REMARKS

Reconsideration of the rejected claims is requested.

Brooklyn 1,447,595 discloses a plaster board having toughened or hardened

6477



IN THE UNITED STATES PATENT OFFICE



Is an application of
ALEXANDER S. SPRENG
Serial No. 160,585
Filed January 12, 1927
For PLASTER BOARD MANUFACTURE

Division 56

POWER OF ATTORNEY

TO THE COMMISSIONER OF PATENTS:

The CERTAIN-TEED PRODUCTS CORPORATION, assignee of the entire interest in the above entitled application, revokes all previous powers of attorney and hereby appoints Alden D. Redfield, 100 East 42nd Street, New York, N. Y., whose Registration Number is 12,682, its attorney, with full power of substitution and revocation, to prosecute this application, to make alterations and amendments therein, to sign the drawings, to receive the Patent, and to transact all business in the Patent Office connected therewith.

CERTAIN-TEED PRODUCTS CORPORATION,

By

Alden D. Redfield

Vice President.

Attested

JUN 6 1929

J. E. Robinson

160585

7/9



IN THE UNITED STATES PATENT OFFICE

In re application of
ALEXANDER S. SPALKER
Serial No. 160,585
Filed January 12, 1927
FOR ELASTIC BOARD MANUFACTURE

Division 56



AMENDMENT

Hon. Commissioner of Patents,
Washington, D. C.

Sir:

Responsive to the Office Action of December 7, 1926,
please amend the above entitled application as follows:

Cancel claims 1 to 3 inclusive.

Claim 4, line 3 before "means" insert reinforcing:

Same claim line 4 cancel "to provide" and insert providing.

Claim 9, line 2, after "sheet", first occurrence,
insert to revise upturned edges and then retroverted.

Claim 15, line 3, after "material" insert folding the
retroverted margins at an angle to the sheet to provide
edges.

And the following claims:

1. A plaster board comprising a body material,
cover sheets for facing the opposite sides of the body
material, one of said sheets having margins overturned to
engage the edges of the body material, and colored material
deposited under said over-turned edges to reinforce same
and to contrast with said body material and provide a
distinctive edge for the board.

2. A plaster board comprising a plastic body
material, cover sheets for facing the opposite sides of
the plastic material, one of said sheets having margins

100585

overturned to engage the edges of the body material, and a plastic material contrasting in color with the body material compressed between said overturned margins and the adjacent cover sheet for reinforcing the edge of the board and making same distinctive.

REMARKS

Claims 1 to 3 have been cancelled.

Claim 4 has been amended to recite reinforcing means inserted between the overturned margins and the plastic body providing a contrasting color along the edges. Schumacher shows margins overturned to engage the edge of the body yet this reference does not show such means as providing a reinforcement together with a contrasting color along the edges. Bygones and Armstrong show open edge boards with strengthening plastic material along the edges. No reference is made to the novel idea of providing a colored strengthening means which is inserted between the overturned margins and the plastic body and which not only provides a superior edge but also provides a distinctive edge whereby the product of one manufacturer is readily distinguishable from that of others. It is felt that claim 4 now recites patentable subject matter. The trade marks cited in the last Office action merely disclose colored edges and suggest nothing to anticipate applicant's novel reinforced edge which is recited as being of contrasting color in this claim.

Claims 7 and 15 have been amended properly to insert the matter attempted to be inserted in the last amendment. It is felt that the claims as now restricted are clearly patentable over the art along with the allowed claims.

New claims 16 and 17 have been modeled generally

11-22 150585

64800

after some of the cancelled claims and are limited to Applicant's invention. It is thought that they now merit favorable consideration.

In view of the above reconsideration of the rejected claims is respectfully requested.

A. S. SPIER

By

Wm. S. Leford

Attorney

100385

SD
DEPARTMENT OF COMMERCE
UNITED STATES PATENT OFFICE
WASHINGTON

June 12, 1929.

Alden D. Redfield,
100 East 42nd St.,
New York, N.Y.

Applicant Alexander S. Spear
Serial No. 160,585
Filed Jan. 12, 1927
For Plaster Board Manufacture

In this case your power of attorney has been accepted.

Revoked by assignee.

Respectfully,

Thomas E. Robertson
Commissioner.

Revoking power of attorney
to

Albert F. Robinson,
c/o The Beaver Products Co., Inc.,
Buffalo, N.Y.

19
160585

64822

Div. 56

Br. 311.

DEPARTMENT OF COMMERCE
UNITED STATES PATENT OFFICE
WASHINGTON

Page No. 3

Address only
The Commissioner of Patents,
Washington, D. C.
and not any official by name
JR/ Jmk

Please find below a communication from the EXAMINER in
charge of this application.

January 10, 1930

Thomas E. Robertson
Commissioner of Patents

Applicant: Alexander S. Spear

Alden D. Redfield,
100 East 42nd St.,
New York, N.Y.

Ser. No. 160,585
Filed Jan. 18, 1927
For Plaster Board Manufacture

MAILED
JAN 10 1930

Responsive to amendment filed June 4, 1929.

Claims 4, 16 and 17 are finally rejected as defining no
invention over Schumacher of record. The folded margins of
Schumacher engage the edges of the body material and the plastic
material under the overturned margins acts as a reinforcement.
The use of a colored plastic under the margins has no structural
utility as has been pointed out previously.

Claims 5 to 14, inclusive, are allowed.

W.H.
Examiner.

160585

6483



IN THE UNITED STATES PATENT OFFICE



in re application of
ALEXANDER S. LEACH
Serial No. 160,885
Filed January 18, 1927
For PLASTER BOARD MANUFACTURE

Division 55

BEFORE THE BOARD OF APPEALS

Hon. Commissioner of Patents,
Washington, D. C.

In response to the Office action of January 10, 1930,
please amend the above entitled application as follows:

~~Cancel Claims 4, 14 and 17.~~

REMARKS:

The cancellation of the rejected claims is believed
to place this case in condition for allowance. Very
respectfully submitted.

WITNESSED MY HAND

Allen S. Leach

APPLICANT

160885

AGENTS ONLY
THE COMMISSIONER OF PATENTS
WASHINGTON, D. C.

100

Serial No. 160,585

JR/r

DEPARTMENT OF COMMERCE

UNITED STATES PATENT OFFICE

WASHINGTON July third 1930.

Alexander S. Spoor, Assor. etc.

Your APPLICATION for a patent for an IMPROVEMENT in
Plaster Board Manufacture

filed Jan. 12, 1927 had been examined and ALLOWED with 11 claims.
The final fee, TWENTY-FIVE DOLLARS, WITH \$1 ADDITIONAL FOR
EACH CLAIM ALLOWED IN EXCESS OF 20, must be paid not later than
SIX MONTHS from the date of this present notice of allowance.
If the final fee be not paid within that period, the patent
will be withheld, but the application may be renewed within one
year after the date of the original notice with a renewal fee
of \$25 and \$1 additional for each claim in excess of 20.

The office delivers patents upon the day of their date,
on which date their term begins to run. The preparation of the
patent for final signing and sealing will require about four
weeks, and such work will not be begun until after payment of
the necessary final fee.

When the final fee is paid, there should also be sent,
DISTINCTLY AND PLAINLY WRITTEN, the name of the INVENTOR, TITLE
OF THE INVENTION, AND SERIAL NUMBER AS ABOVE GIVEN, DATE OF
ALLOWANCE (which is the date of this circular), DATE OF FILING,
and, if assigned, the NAMES OF THE ASSIGNEES.

If it is desired to have the patent issue to an ASSIGNEE
OR ASSIGNEES, an assignment containing a REQUEST to that effect,
together with the FEE for recording the same, must be filed in
this office on or before the date of payment of the final fee.

After issue of the patent, uncertified copies of the
drawings and specifications may be purchased at the price of
TEN CENTS EACH. The money should accompany the order. Postage
stamps will not be received.

The final fee will NOT be received from other than the
applicant, his assignee or attorney, or a party in interest as
shown by the records of the Patent Office.

NOTICE WHEN THE NUMBER OF CLAIMS ALLOWED IS IN EXCESS OF 20,
NO SUM LESS THAN \$25 PLUS \$1 ADDITIONAL FOR EACH
CLAIM IN EXCESS OF TWENTY CAN BE ACCEPTED AS THE
FINAL FEE.

Respectfully,

Thomas E. Robertson

Commissioner of Patents.

Alden B. Redfield,
108 West 42nd St.,
New York, N. Y.

22

160585

IN REMITTING THE FINAL FEE GIVE THE SERIAL NUMBER AT THE HEAD OF THIS NOTICE.

UNCERTIFIED CHECKS WILL NOT BE ACCEPTED



IN THE UNITED STATES PATENT OFFICE

ALEXANDER S. SPEER;

Serial No. 160,585;

Filed January 12, 1927;

PLASTER BOARD MANUFACTURE.

Allowed July 3, 1930.

Hon. Commissioner of Patents,
Washington, D. C.

S i r : -

The undersigned, attorney of record in the above-entitled application, hereby substitutes Newell & Spencer, Registration No. 11436, a firm consisting of Emerson R. Newell, H. Dorsey Spencer, George M. Dove and Chauncey W. Sincerbeaux, of Graybar Building, 420 Lexington Avenue, New York, N. Y., as attorneys, with full power to sign the drawings, to prosecute this application, to make alterations and amendments therein, to receive the patent, and to transact all business in the Patent Office connected therewith.

Signed at New York City, in the County of New York and State of New York, this 25th day of August, 1930.

Alden D. Redfield
Alden D. Redfield

23

130543

6486

BERNARD S. NEWELL
H. SPENCER
CHARLES H. SPENCER
CHARLES H. SPENCER
PERRY H. SPENCER
ALBERT SPENCER



LAW OFFICES OF
NEWELL & SPENCER
PATENT TRADE MARK COPYRIGHT AND
GRAYBAR BUILDING
LEXINGTON AVE. AT 42ND STREET
NEW YORK

TELEPHONE LEXINGTON 1010-7-8
CABLE ADDRESS NEWELLSPEN
N. Y. TELE. CODES LETTER

December 27, 1930

B

DEC 29 1930 1 243 A

25.00

Hon. Commissioner of Patents,
Washington, D.C.

U. S. Patent Office

Re: Alexander S. Spear, Ser. No.
100,500, Filed January 12, 1927,
"Plaster Board Manufacturers"
Allowed, July 2, 1930.

Sir:

Enclosed please find our check for \$25.00
to be applied as the final fee in the above-identified
application.

Respectfully,

Newell & Spencer
57

Encl.

27

160500

827

1,000
8/11/28

481

1927

CONTENTS:

1. Application _____ papers.	26.
2. _____ 924 1927	27.
3. _____ Feb 17 1928	28.
4. _____ Dec 7 1928	29.
5. _____ June 4/29	30.
6. _____ "12/29	31.
7. _____ June 4, 1929	32.
8. _____ Jan 10 - 1930	33.
9. _____ June 25 - 1930	34.
10. _____ Aug 27 1931	35.
11. _____	36.
12. _____	37.
13. _____	38.
14. _____	39.
15. _____	40.
16. _____	41.
17. _____	42.
18. _____	43.
19. _____	44.
20. _____	45.
21. _____	46.
22. _____	47.
23. _____	48.
24. _____	49.
25. _____	50.

46

28

AGREEMENT

This agreement between Alexander S. Speer, of Buffalo, New York, hereinafter called "Speer", and the Certain-teed Products Corporation, a Maryland corporation, hereinafter called "Certain-teed", in consideration of the mutual covenants hereinafter contained, witnesseth, that

Whereas, Speer was the inventor of numerous patents which were ultimately acquired by the "Beaver" Companies, so called, under which patents exclusive licenses were later given to the Flintkote Company, a Massachusetts corporation, and

Whereas, the assets of the aforesaid "Beaver" Companies were acquired by Certain-teed, and

Whereas, certain obligations of said "Beaver" Companies were assumed by Certain-teed including the obligations to Speer, and in particular that Agreement dated June 3, 1920, between Alexander S. Speer and The Roofing Patents Company, a Delaware corporation, and The Beaver Board Companies, a Delaware corporation and

Whereas, in view of the many complications involved in the various Agreements and Assignments between Speer and the various "Beaver" Companies, and/or their subsidiaries, it has been decided to draw up this Agreement to take the place of all previous Agreements of Speer and the "Beaver" Companies relative to said patents, and

Whereas, Speer represents that under said Agreements and Assignments he was entitled to twenty-five per cent of the net royalties to be received by the "Beaver" Companies and/or their subsidiaries, and/or successors, and/or assigns,

Now therefore, it is agreed between the parties as follows:

(1) Speer hereby releases Certain-teed from all obligations to Speer under any Agreements whatsoever between Speer and the former "Beaver" Companies and/or their subsidiaries or affiliated Companies, except that Certain-teed is still obligated to pay the guaranteed salary up to 1935, as previously provided for under said Agreement dated June 3, 1920, as follows:

"The Beayer Company hereby guarantees the payment to Speer or his legal representatives or beneficiaries of the above mentioned sums of fifteen thousand (15,000) Dollars per year for ten (10) years from February 2nd, 1920 and ten thousand (10,000) dollars per year for the five years thereafter."

In the event that Speer shall die before the expiration of the five year period from February 1, 1930, Certain-teed shall pay the amounts equivalent to said salary to his legal representatives or to the beneficiary or beneficiaries who may become entitled through intestacy or under his Last Will and Testament to the rights of Speer under this Agreement, said payments to be made against the one-fourth interest of Speer, hereinafter set forth, payable by Certain-teed; and said payments shall be made until Certain-teed may have exercised its option, as hereinafter provided, to terminate this Agreement.

(2) Certain-teed hereby agrees to pay Speer one-fourth of all net royalties received by it as the result of any patents, or applications therefor which it may now, or hereafter, own, or have any interest in as the result of the inventions of Speer. It is understood that "net royalties" means the net amount received by Certain-teed after deduction has been made for all expenses incurred by Certain-teed in connection with said patents, including litigation, purchase of other patents to be used in conjunction with the Speer patents, the amounts paid as royalties by Certain-teed under the Speer patents in conjunction with other patents, and all other expenses incurred by Certain-teed relating to the Speer patents.

(3) All royalties paid to Speer under the guaranteed salary covered in clause (1), shall be deducted from the one-fourth interest of Speer in the net royalties payable according to clause (2) hereof.

(4) This Agreement shall take effect as of February 1, 1930, and said one-fourth of all net royalties (minus the monthly guaranteed salary) shall be payable monthly to Speer up to and including the month of January, 1931. Thereafter, such payments shall be made quarterly to Speer. It is understood, however, that in no period shall Speer receive less than his guaranteed salary unless aggregate payments made have exceeded the amount due hereunder.

(5) Speer agrees that the major portion of his time, energy and skill, shall be devoted exclusively to Certain-teed, and further covenants that all discoveries, inventions and improvements that may be discovered by him during this said employment and relating to any enterprise which may then be conducted or which may at any later time be conducted or contemplated by Certain-teed, or by any of its subsidiaries, shall belong to Certain-teed, and Speer agrees that he will immediately disclose all such discoveries, inventions and improvements, and upon request assign the same to Certain-teed, its successors, assigns, or nominees, and will, upon the request of Certain-teed, take all other further action as may be necessary in the interest of Certain-teed.

In the event that, subsequent to the five year period from February 1, 1930, the one-fourth interest of Speer in the net royalties received by Certain-teed should amount to less than \$10,000 per year, Speer and Certain-teed shall mutually agree as to what proportion of Speer's time shall be devoted to the service of Certain-teed.

(6) If Certain-teed does not desire to acquire any certain patent or patents, and/or applications therefor, of Speer, Speer shall have full title to said patent or patents, and/or applications therefor.

(7) Speer hereby gives and grants unto Certain-teed an option to terminate this Agreement, and to be relieved of all obligations thereunder, for the sum of One Hundred and Fifty Thousand Dollars (\$150,000), such option to be exercisable, however, only against the legal representatives, heirs, or beneficiaries of Speer at any time after his death.

(8) Speer hereby authorizes Certain-teed to exercise its best discretion relative to obtaining the best returns under all patents contemplated by this Agreement, 11584 and hereby ratifies all acts of Certain-teed now consummated or hereafter to be consummated; and Certain-teed hereby agrees to exercise, in good faith, its best judgment to that effect.

(9) Speer hereby acknowledges payment in full of all payments to which he was entitled up to and including January 31, 1930.

(10) This Agreement shall extend to the expiration of the latest Speer patent acquired, or to be acquired, by Certain-teed.

In Witness Whereof, the parties have hereunto set their hands and affixed their seals this 4th day of June, 1930.

ALEXANDER S. SPEER (Seal)

CERTAIN-TEED PRODUCTS CORPORATION

By AUDENRIED WHITTEMORE
Vice President.

STATE OF NEW YORK
COUNTY OF NEW YORK SS:

On this 4th day of June, 1930, personally appeared before me Alexander S. Speer, to me personally known, and known by me to be the individual who executed the above Agreement; and acknowledged before me that he executed the same as his free act and deed.

THOMAS F. BAKER

STATE OF NEW YORK
COUNTY OF NEW YORK SS:

On this 4th day of June, 1930, personally appeared before me Audenried Whittemore, to me personally known, and known by me to be the Vice President of the Certain-teed Products Corporation, and further known by me to be the individual who executed the above Agreement upon behalf of said Corporation; and acknowledged before me that he executed said Agreement upon behalf of the Certain-teed Products Corporation as its free act and deed under authority of the Board of Directors so to do; and that the Corporate Seal was affixed by like authority:

THOMAS F. BAKER

6492

11585

Government's Exhibit No. 693

NATIONAL GYPSUM COMPANY
GENERAL OFFICES BUFFALO, N. Y.

SEPTEMBER 11, 1931

MR. C. HENNING
United States Gypsum Co.
300 W. Adams St.
Chicago, Ill.

DEAR MR. HENNING:

Mr. Burley has discussed with you the present trucking practice of the United States Gypsum Company as well as others in the Rochester area. Our understanding is that you have verbally instructed him to meet this situation and that you will confirm this in bulletin form.

To protect our business we are following this practice but feel that a definite schedule of prices on truck deliveries should be laid down and the area defined in an official bulletin.

Very truly yours.

M. H. BAKER

President.

M. H. Baker:MP

11586

Government's Exhibit No. 694

CC — M. H. Baker
M. A. Jordan
Harry Scott
E. B. Biesinger

MARCH 22, 1935

MR. ED. H. DIEGEL, GEN'L SALES MGR.
The Ebsary Gypsum Company, Inc.
52 Vanderbilt Avenue
New York City

DEAR MR. DIEGEL:—

Winslow phoned this morning for another 5,000 square feet of foil lath.

As I understand it, this is for an account in New England who ordered a full car of gypsum products, including the foil lath, and it might jeopardize the balance of the car if we delayed on the lath.

I, therefore, told Winslow we would truck it over at once but would have to bill it at the dealer price the same as the last lot on account of the license provisions. Can't you get ahold of Mr. Ebsary and have him sign this license right away? Mr. Baker wants to work cooperatively with Mr. Ebsary on this so you will not be penalized when one of your customers wants foil included in the car but, as explained to you, we can't extend the 12½% discount until Mr. Ebsary signs the foil license. If there is any question about Mr. Ebsary signing this, I suggest he phone Mr. Baker at once so we can get straightened away promptly.

Kindest regards to you and George.

Very truly yours,

Vice President.

RF Burley/B

6494

11587

Government's Exhibit No. 695

AUGUST 27, 1935

MR. GEO. N. LENCI
*Ebsary Gypsum Co.
52 Vanderbilt Ave.
New York City*

DEAR GEORGE:

Attached price lists show the present schedule on foil gypsum board and lath.

After you have signed the foil license agreement I understand that, subject to the approval of licensor, we can sell you at our published dealer price less a manufacturer's discount of $12\frac{1}{2}\%$ on lath and 25% on board from the F. O. B. mill carload prices.

If you have signed the foil license and see no objection, I would like to write U. S. G. now for permission to put above discounts in effect with you. Please advise me.

Very truly yours,

NATIONAL GYPSUM COMPANY
Vice President.

RFBurley/R

11588

*Government's Exhibit No. 696*NATIONAL GYPSUM COMPANY
Inter-Office Correspondence

Oct. 7, 1935

E. B. BIESINGER
Earl North
12 E. Girard Blvd.
Kenmore, N. Y.

Earl North who represents Oakfield Gypsum Products Company, 728 Broad Street, Utica, N. Y. advises they have been buying the bulk of their wallboard from Universal although they also buy some from Steve Kelley.

Inasmuch as Oakfield Gypsum Products are not manufacturers of wallboard and, therefore, not licensees, they don't receive the price bulletins from the United States Gypsum Company but rely on their source of supply relaying these bulletins to them.

Earl just advised me that no one advised him of the extension of the trucking area from Western New York mills into Pennsylvania.

Will you please set up copies of all price bulletins on patented board and see that copies are passed to Mr. North and also Oakfield Gypsum Products at Utica on anything that affects their eastern operation?

I also told Mr. North that we would sell them foil board but they would first have to sign the license agreement with United States Gypsum Company on foil. I don't know the exact mechanics of this and would appreciate your discussing this angle with me. In the meantime, will you mail Earl North a copy of our pricing bulletin on foil board?

B

R. F. BURLEY

6496

11589

Government's Exhibit No. 697

Oct. 24, 1935

F. G. KRUMHOLZ
(Chicago Office)

Note attached correspondence with Texas Cement Plaster Company. They want to buy Foil Lath and Foil Wall-board from us and possibly Tile Board and Grain Board.

As I understand it, they have never signed the gypsum wallboard license agreement and yet I think U. S. G. is anxious to put them in a position to get these specialties on the usual basis rather than antagonize them in the market. Would you see what U. S. G.'s attitude is on this—are they already selling them—if so, on what basis—and, would they give us permission to sell them? I believe this is required under the license agreement.

On foil there is a separate license agreement and when we took up with U. S. G. some time ago the matter of our selling foil board to Ebsary, they took the position that Ebsary had to sign the foil license agreement before we could sell them at a discount. Ebsary tell me they have now signed the foil agreement.

While you are talking to Charlie Henning you might ask him to let you know about this.

As far as Texas Cement Plaster is concerned, based on their past attitude, I question if they would sign any kind of a license agreement but I still think it would be smart to let them buy the little foil board they want and we would like to have U. S. G.'s permission to sell them on the usual 12½% and 15% discount.

In the attached letter, you will note I have added the freight from Sweetwater to Texas Cement Plaster Company's mill. I don't believe that this is necessary and that we should sell them at \$30.00 F.O.B. their mill. Would you clarify this as well and get the data back to me as quickly as possible?

Yours very truly,

B

R. F. BURLEY

11590

Government's Exhibit No. 699

NATIONAL GYPSUM COMPANY
GENERAL OFFICE—GOLD BOND PRODUCTS
BUFFALO, NEW YORK

JUNE 25, 1932

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

Re: Geo. J. Switzer Co.
Litchfield, Conn.

GENTLEMEN:—

The Certain-teed Company recently shipped the above patented wallboard in a car containing 30,000 lbs. of gypsum products and 10,000 lbs. fibre insulation wallboard to make a minimum car of 40,000 lbs.

Our interpretation of the various bulletins covering the terms and conditions under which patented wallboard may be sold is that the minimum car weight must be made up of gypsum and lime products. Our feeling is that the introduction of new products such as insulation board to make the minimum weight would have a tendency to give an undue and unfair advantage to various shippers.

Please advise us definitely on this.

Yours very truly,

NATIONAL GYPSUM COMPANY
R. F. BURLEY

Vice President.

RFBurley/B

6498

11591

Government's Exhibit No. 700

JULY 2, 1932

MR. R. F. BURLEY, V. P.,
National Gypsum Company,
Buffalo, N. Y.

DEAR MR. BURLEY:

Re: Geo. J. Switzer Co.,
Litchfield, Conn.

Acknowledging your letter of June 25 regarding the sale of patented wallboard by the licensee, the Certain-teed Products Company to Geo. J. Switzer Company, Litchfield, Connecticut, we will investigate and if this sale has been made in violation of their license contract we will take such action as seems necessary and proper to protect the licensor's interest in the matter.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6499

11592

Government's Exhibit No. 701

NATIONAL GYPSUM COMPANY
GENERAL OFFICES—GOLD BOND PRODUCTS
BUFFALO, NEW YORK

JULY 12, 1932

BOARD SURVEY COMPANY
300 West Adams Building
Chicago, Ill.

Re: Geo. J. Switzer Co.
Litchfield, Conn.

GENTLEMEN:—

In reference to your letter of July 2, please advise us if the practice of including insulation board to make up minimum weight of gypsum products is or is not in violation of the terms and conditions under which we are privileged to sell patented wallboard.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY

Vice President.

RFBurley/B

6500

11593

Government's Exhibit No. 702

AUGUST 9, 1932.

MR. R. F. BURLEY, V. P.,
National Gypsum Company,
Buffalo, N. Y.

DEAR MR. BURLEY:

Re: Geo. L. Switzer Co.,
Litchfield, Conn.

It appears from our files that although we have written you twice in regard to the reported sale to Geo. L. Switzer Company, Litchfield, Connecticut by the licensee, the Certain-teed Products Company, at less than the licensor's minimum price to you for such sale of patented board we have overlooked answering your letter of July 12 as to whether or not the practice of including insulation board to make up the minimum weight of gypsum products in a car is or is not in violation of the terms and conditions of your license contract.

Insulation board cannot be used to make up weight in a car of gypsum products where patented board is included. The licensor would construe such a practice as being in violation of your license contract.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11594

Government's Exhibit No. 703

NATIONAL GYPSUM COMPANY
General Offices—Gold Bond Products
BUFFALO, NEW YORK

SEPTEMBER 17, 1932

MR. FRANK M. MILLER
Board Survey Company
300 West Adams Bldg.
Chicago, Ill.

Re: James Lumber Company
Racine, Wis.

DEAR SIR:—

Referring to the terms and conditions under which we sell patented wallboard, we feel an audit should be made of Certain-teed's sale of patented board to the above account.

As indicated when you received our entire file on this account in Buffalo, we made allowance in good faith of \$30.00 on the first car we shipped them being supported with our mill Superintendent's report that our board shipped at that time was not in good condition.

When this dealer deducted \$30.00 on the second car in the Fall of 1931 we refused to make allowance and forced collection of the money. Dealer claimed at that time that Certain-teed would cut the price via the roofing route or with allowance on damaged board. Since forcing collection of their deduction we have not been able to sell James Lumber Co. patented board and they now have Certain-teed board in stock.

Under the circumstances we feel an audit should be made of the Certain-teed sales to this account to determine if roofing or allowances on damaged board have been in violation of the terms and conditions under which patented board can be sold.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Vice President

RFBurley/B

6502

11595

Government's Exhibit No. 704

NATIONAL GYPSUM COMPANY
General Offices—Gold Bond Products
BUFFALO, NEW YORK

SEPTEMBER 26, 1932

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

Re: Hyde Park Lumber Co.
Cincinnati, Ohio

GENTLEMEN:—

Referring to the terms and conditions under which we sell patented wallboards we have been given to understand that the above is in effect being rebated on patented board by the Certain-teed Company to effect lower than the minimum prices set by the licensor—the rebate being handled in connection with their roofing purchases from the Certain-teed Company. We believe a check of this account is in order.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY

Vice President

RFBurley/B

11596

Government's Exhibit No. 705

SEPTEMBER 27, 1932.

MR. R. F. BURLEY, V. P.,
*National Gypsum Company,
Buffalo, New York.*

DEAR MR. BURLEY:

Re: Hyde Park Lumber Company
Cincinnati, Ohio.

Acknowledging receipt of your letter of September 26 regarding the alleged sale of patented board in conjunction with roofing materials by the licensee, Certain-teed Products Corporation to the Hyde Park Lumber Company, Cincinnati, Ohio, said sale being made in such a manner as to reflect a lower price on patented board through the medium of a rebate on their roofing purchases.

We appreciate your forwarding this information, and will immediately investigate.

Yours very truly,

BOARD SURVEY COMPANY
Executive Secretary.

FMM:AB

6504

11597

Government's Exhibit No. 706

NATIONAL GYPSUM COMPANY
General Offices—Gold Bond Products
BUFFALO, NEW YORK

OCTOBER 4, 1932

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

Re: Nassau Suffolk Lumber Co.
Long Island

GENTLEMEN:—

Referring to the terms and conditions under which we sell patented wallboard, we have reason to believe that the Certain-teed Company give the above account special terms on roofing which in effect amounts to a rebate on their purchases of patented board. Mr. Gallagher of the United States Gypsum Company is in touch with this situation as well.

We feel an audit should be made of the Certain-teed's dealings with the above concern to determine the exact status of their roofing sales to the above account.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Vice President

RFBurley/B

11598 .

Government's Exhibit No. 707

OCTOBER 8, 1932.

MR. R. F. BURLEY, V. P.,
National Gypsum Company,
Buffalo, N. Y.

DEAR MR. BURLEY:

Re: Nassau Suffolk Lumber Co.,
Long Island, N. Y.

Acknowledging receipt of your letter of October 4 concerning the alleged sale of patented board by the licensee, Certain-teed Products Corporation, to the Nassau Suffolk Lumber Company, Long Island, N. Y. at less than the licensor's minimum price to you for such board in such market, same being effected through a special roofing rebate.

We appreciate your forwarding this information, and will immediately investigate same.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6506

11599

Government's Exhibit No. 708

NATIONAL GYPSUM COMPANY
General Offices—Gold Bond Products
BUFFALO, NEW YORK

JUNE 2, 1933

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

Re: Murphy & Ames
Rosslyn, Va.

GENTLEMEN:—

Referring to terms and conditions under which we sell patented board, the above account who have been buying Gold Bond Board for years recently bought Certain-teed board under Certain-teed's Roofing Contract whereby at the end of twelve months rebate is given on roofing in line with purchases, the understanding being that at the same time rebate will be given on the plaster wallboard purchased during the same period—either directly or in the form of extra discounts on the roofing. We are quite positive the above is in effect.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Vice President

RFBurley/B

11600 • *Government's Exhibit No. 709*

JUNE 3, 1933.

NATIONAL GYPSUM COMPANY

*Buffalo
New York.*

Att: R. F. Burley, V. P.

DEAR SIRs:

Re: Murphy & Ames
Rosslyn, Virginia.

We acknowledge receipt of your letter of June 2 concerning the sale to Murphy & Ames, Rosslyn, Virginia of gypsum wallboard manufactured and sold by the Certain-teed Products Corporation under its license agreement and embodying the claims and inventions of the licensor's patents.

We appreciate your calling this matter to our attention and will immediately investigate same.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6508

11601

Government's Exhibit No. 701

NATIONAL GYPSUM COMPANY
General Offices—Gold Bond Products
BUFFALO, NEW YORK

JULY 11, 1933

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

Re: Furstenberg Lumber Co.
Saginaw, Mich.

GENTLEMEN:—

Referring to terms and conditions under which we sell patented board, we received the following note from our representative dated June 18th.

"It may be just a coincidence, it may be fate or what have you, but our Certain-teed friends have just gone in and sold the above account their first stock of Certain-teed lath.

At the same time Furstenberg suddenly decorates his buildings with Certain-teed roofing signs and goes out after the roofing business of the town."

On July 6th we received further report as follows—

"The Furstenburg car contained 3 tons of plaster that Furstenberg did not order. He never has used plaster but he now has this batch in his warehouse.

We are following Furstenberg now to see if they have been billed and credited on the plaster or what the final outcome will be.

Furstenberg bought lath and roofing but no board. More later."

We feel a check-up should be made at once to determine what items were included in the car recently shipped to them by Certain-teed. If Certain-teed records show no plaster shipped them, we suggest it would

11602

be in order to send a special investigator to Saginaw to see if Furstenberg has Certain-teed plaster in stock as the situation now indicates that Certain-teed are in effect giving them prices on patented board under the minimum set by the licensor.

Yours very truly,

NATIONAL GYPSUM COMPANY
R. F. BURLEY
Vice President

RFBurley/B

11603

Government's Exhibit No. 711

JULY 29, 1933.

NATIONAL GYPSUM COMPANY
Buffalo
New York

Att: R. F. Burley, V. P.

DEAR SIRs:

Re: Furstenberg Lumber Company
Saginaw, Michigan.

To date we have not received a reply from the licensee, Certain-teed Products Corporation, regarding the alleged sale of patented board to the Furstenberg Lumber Company, Saginaw, Michigan, which you reported to us under date of July 11.

We will advise you immediately upon receiving their reply.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6510

11604

Government's Exhibit No. 712

JANUARY 5, 1935

BOARD SURVEY COMPANY
300 West Adams St.
Chicago, Ill.

GENTLEMEN:—

In reply to your letter of December 28th, the present policies set up under the license contract have developed one practice which we feel could be given study with the idea that some more practical plan could be devised.

That is, the practice that permits any dealer to buy in pool cars in lots of 500 feet to 1500 feet at the carload price.

We find that many dealers buy extremely small quantities, reordering every few weeks with a penalty to the manufacturer who has to take care of such deliveries.

If a minimum quantity of 5,000 square feet could be set or a mixed order of 5 tons, we do not feel that the industry would be penalized and a better scheme of distribution would prevail.

We also feel that the purchaser of less than a full car should pay as an illustration 50¢ per M up—particularly where stop-over charges are absorbed. If some equitable plan could be worked out along this line, the manufacturer could afford to absorb stop-over charges everywhere, switching charges, demurrage items, etc. all of which represent, we feel, the bulk of the minor disputes with the trade, the bulk of the minor violations of the code and the bulk of the small irritating details that now prevail under the present marketing policies on patented board.

Yours very truly,

NATIONAL GYPSUM COMPANY

Vice President

RFBurley/B

11605

Government's Exhibit No. 713

NATIONAL GYPSUM COMPANY
General Offices—Gold Bond Products
BUFFALO, NEW YORK

FEBRUARY 19, 1936

BOARD SURVEY COMPANY
300 West Adams Street
Chicago, Illinois

Attention: Mr. E. W. Carey

GENTLEMEN:

It is reported to us that on Patented Gypsum Board shipped by the United States Gypsum Company on November 6, 1935 and invoiced on November 7, 1935—3/8" Patented Gypsum Wallboard was invoiced at \$28.78 per M sq. ft. f.o.b. Fort Sumner, New Mexico, to which point the lowest published freight rate from a base mill is $38\frac{1}{2}$ ¢ per cwt. That freight rate would make a delivered price of \$30.74 per M sq. ft.

It is also reported that included in the same car was some plaster priced at \$16.40 per ton as against the correct delivered price of \$16.80 per ton based on the manufacturers published price of \$11.00 f.o.b. mill and a freight rate of .27 per cwt. plus emergency charge. This reduction in the price of plaster is in effect a cut-price on the mixed car and therefore influences the sale of patented gypsum board.

This is in effect a violation of the license agreement in that the licensor does not adhere to his own published prices. Will you please check into the situation and let us have your comments?

Yours very truly,

NATIONAL GYPSUM COMPANY
EDW. B. BIESINGER

E. B. Biesinger:N

6512

11606

Government's Exhibit No. 714

CERTAIN-TEED PRODUCTS CORPORATION
100 East 42nd Street
NEW YORK

DECEMBER 17, 1930.

NATIONAL GYPSUM CO.,
Buffalo, N. Y.

Atten:—Mr. M. H. Baker.

DEAR MR. BAKER:—

We received a letter from Mr. Van Hagan after his conversation with you, stating that you wished prices on materials other than those mentioned in the contract. Naturally, there are different conditions surrounding each one of these items and the tonnage of none of these items is to be included with the tonnage of Fibred Plaster and Stucco to get into the various price brackets, and all prices quoted in this letter are net the tenth of the following month, the same as in the contract.

We are giving you below the cost price to you, f.o.b. Fort Dodge and our established selling prices, f.o.b. Fort Dodge:

	Price to you F.O.B. Ft. Dodge	C. P. C. Established Sell. Price, f.o.b. Ft. Dodge
Land Plaster	\$ 3.75	\$ 6.00
Concrete Bond Plaster	8.75	12.50
Sand Float Finish	12.75	16.00
Prepared Trowel Finish	17.75	21.00
Keene's Cement	21.00	21.75
White Finish	13.75	17.25
White Moulding	14.75	17.25
2" Solid Blocks	.04-1/4	.04-1/2
6" Hollow Blocks	.08-3/4	.09

All prices quoted in this letter are subject to change if the general market price in the territory supplied by the Fort Dodge Plant changes, but in no case shall prices be lower than those quoted except by mutual consent.

On the above materials you are to supply bags, f.o.b. our Fort Dodge Plant, without cost to us, for Land Plaster, Concrete Bond Plaster, Sand Float Finish and Prepared Trowel Finish.

On Keene's Cement we will supply the material in Best Brothers' bags, and the price of \$21.00 includes the bags.

On the White Finish and White Moulding, the prices at Fort Dodge are based on prices of \$8.00 for White Finish and \$9.00 for White Moulding, f.o.b. Blue Rapids, plus warehousing and Freight to Fort Dodge. You are now supplying the bags to Blue Rapids and we will ship sufficient quantities of this material in cars of our own materials going from Blue Rapids to Fort Dodge and will warehouse this material at Fort Dodge for you for mixed car service.

The 2" Solid and the 6" Hollow Blocks will, of course, carry our brand, the same as the other sizes.

We have not made you any price on Crushed Gypsum Rock because this is a material going to the Portland Cement trade only, and as the selling price is exceedingly low there would seem to be no reason for your organization to attempt to sell any of this material as we could not sell it to you for any less than we charge the Portland Cement plants, which is \$1.60 per ton, f.o.b. Fort Dodge.

On all materials, like Hydrated Lime or any other similar materials, that you wanted to ship to the Fort Dodge Plant to be warehoused by us and shipped out in mixed cars, we will handle such materials at your risk for \$1.25 per ton, which will include the unloading of material received, the storage and the shipping in mixed cars.

On the Keene's Cement, you will note that the price to you is only 75¢ less per ton than our selling price, but you realize that we are purchasers of this material and consequently if we are to get out even on it we can't allow you any greater margin of profit.

We trust the above arrangement will be entirely satisfactory to you, and if you will sign one copy of this letter and return to us, it can be attached to the original contract and made a part thereof.

Yours very truly,

AUDENRIED WHITTEMORE
Vice President.

ACCEPTED:

M. H. BAKER — NATIONAL GYPSUM CO.

Witness:

F. E. DAVIS

6514

11608

Government's Exhibit No. 714-A

CERTAIN-TEED PRODUCTS CORPORATION
100 East 42nd Street
NEW YORK

NATIONAL GYPSUM Co.,
Buffalo, N. Y.

Atten:—Mr. M. H. Baker.

DEAR MR. BAKER:—

We are attaching signed copy of the contract and have dated same today, December 17th.

We have also asked Mr. Van Hagan to proceed immediately with instructions to our Billing Department and the plant so that you can start sending in your orders as soon as arrangements can be made for the necessary sacks, labels, etc.

We have made one change in the contract, merely to clarify the understanding which was undoubtedly clear to you but might not be clear to any one else reading the contract. We have added to the last paragraph of Article 2, the following:

"National agrees to stand the expense of handling and adjusting all complaints"

and we are assuming that as this was the understanding, there would be no objection to adding it to the contract.

There is another thing that we wish to call to your attention, which is that it is clearly understood that if for any reason we desire to shut down the Ft. Dodge Plant, we will have no obligation to ship additional orders for you after notification to you that the plant would be shut down. We have no thought that we will shut it down and we know that if we did shut it down you would not expect us to operate it simply to ship orders for you, but we want this matter clearly understood.

In view of these two points, your signature on the duplicate copy of this letter, and return to us, will be sufficient without changing the contract further.

We feel sure that this contract will work out to our mutual advantage, and we are in hopes that the tonnage you order from the Fort Dodge Plant will be sufficient to enable us to bill you at the minimum price.

Yours very truly,

AUDENRIED WHITEMORE
Vice President.

AW:LC

ACCEPTED:

M. H. BAKER — NATIONAL GYPSUM CO.

Witness:

F. E. DAVIS

11609

Government's Exhibit No. 714-B

This Agreement, made in duplicate this 17th day of December, 1930, by and between Certain-Teed Products Corporation, a Maryland corporation, party of the first part, having its principal office at New York, New York, hereinafter referred to as Certain-teed, and National Gypsum Company, a Delaware corporation, party of the second part, having its principal office at Buffalo, New York, hereinafter referred to as National.

Witnesseth: That

Whereas, National desires to purchase from Certain-teed certain Gypsum products now manufactured by Certain-teed at its Fort Dodge, Iowa Plant; and

Whereas, Certain-teed is willing to sell certain gypsum products to National as is herein provided;

Now, Therefore, the said parties, hereto, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and the performance thereof by the respective parties, do hereby covenant and agree as follows:

1. Certain-teed will sell to National and National will purchase from Certain-teed such quantities of Cement Plaster, Wood Fibered Plaster, Common Finish, Stucco, Plasterboard and Plaster Lath as National may from time to time determine as evidenced by written orders from National to Certain-teed. All products ordered by National and sold by Certain-teed to National will be the same grade of products as now manufactured at the Fort Dodge Plant of Certain-teed.

The prices to be paid by National shall all be f.o.b. cars Certain-teed's Plant Fort Dodge, Iowa, and shall be as follows:

(a) Cement Plaster, Wood Fibered Plaster and Common Finish, (not including bags):—If 5,000 tons per annum are purchased by National, the price will be \$4.01 per ton. If less than 5,000 tons are purchased, actual standard cost will be charged but not less than \$4.01 nor more than \$4.27. If 10,000 tons per annum are purchased, the price on the entire amount will be \$3.84 per ton. If more than 5,000 tons but less than 10,000 tons are purchased, actual standard cost will be charged for the entire amount, but not less than \$3.84 nor more than \$4.01 per ton. If 15,000 tons per annum are purchased, the price on the entire amount will be \$7.73 per ton. If more than 10,000 tons but less than 15,000 tons are purchased, actual standard cost will be charged for the entire amount, but not less than \$3.73 nor more than \$3.84 per ton.

•Stucco (not including bags) will be 33¢ per ton less than the above prices.

The total tonnage of the four above items will be used as a basis for the determination of the prices for various quantities, as outlined above.

(b) 3/8" Plaster Lath:—\$13.50 per M. sq. ft., Certain-teed to pay the royalty.

3/8" Gypsum Wall Board:—\$16.96 per M. sq. ft., Certain-teed to pay the royalty.

(c) 3" Hollow Gypsum Blocks:—3.75 Cents per Square foot.

4" Hollow Gypsum Blocks:—4.25 Cents per Square foot.

11610 If National desires to purchase other materials from time to time, the prices for such other materials will be quoted by Certain-teed to National.

The prices on Cement Plaster, Wood Fibered Plaster, Common Finish and Stucco shall remain in effect from date until December 31, 1931.

The prices on Plaster Board and Plaster Lath shall be subject to change if the licensor changes prices on these products, but in no case shall the prices on Board and Lath be lower than those quoted, except by mutual consent.

The price of Gypsum Blocks shall be subject to change if the general market price in the territory supplied by the Fort Dodge Plant changes, but in no case shall the prices on Blocks be lower than those quoted, except by mutual consent.

2. Certain-teed will bill to National each month for all goods shipped on National's order during the preceding month at the prices herein given. All invoices covering the calendar month will be due and payable net without discount on the tenth of the month following.

As the tonnage of Cement Plaster, Wood Fibered Plaster, Common Finish and Stucco purchased will determine the prices charged, until 5,000 tons have been purchased Certain-teed will bill to National and National will pay to Certain-teed monthly for all shipments made during the preceding month at the following prices:

Cement Plaster,	
Wood Fibered Plaster and	
Common Finish	\$4.27 per ton
Stucco	3.94 " "

As soon as Certain-teed's shipments for National have reached 5,000 tons, Certain-teed will pay to National in cash an amount necessary to reduce the price paid by National to the prices named for 5,000 tons, and additional shipments will be billed at the 5,000 ton prices. As soon as Certain-teed's shipments for National have reached 10,000 tons, Certain-teed will pay to National in cash an amount necessary to bring the price paid by National to the prices named for 10,000 tons and additional shipments will be billed at the 10,000 ton prices. As soon as Certain-teed's shipments for National have reached 15,000 tons,

Certain-teed will pay to National in cash an amount necessary to bring the price paid by National to the prices named for 15,000 tons and additional shipments will be billed at the 15,000 ton price. It is agreed that no price, billing change or cash adjustment will be made except at the beginning of the month following the month in which quantity shipped by Certain-teed warrants such price and billing changes, and the cash payment by Certain-teed to National to adjust prices shall be made by the tenth of the month on the first of which such a price and billing change occurs; provided, however, all invoices rendered National by Certain-teed which are due have been paid.

National agrees to handle all complaints and adjustments of every kind or character whether or not Certain-teed may be at fault in the quality of product furnished, but Certain-teed agrees to furnish materials of the same grade and quality on National's orders that it supplied to its own customers. National agrees to stand the expense of handling and adjusting all complaints.

3. National will supply at their own expense all paper bags for packing the products purchased, f.o.b. Fort Dodge plant of Certain-teed, and printed with National's brands. Such bags are to be of the same size, type and quality as is or shall be regularly used by Certain-teed.

11611 If National desires Certain-teed to purchase paper bags for National, Certain-teed will do so, charging National the actual cost for such bags purchased. Any bags so purchased by Certain-teed will be paid for by National immediately on receipt of invoice covering the purchase.

Certain-teed assumes no liability for damage by causes beyond their control for any materials owned by National but stored in the Fort Dodge Plant of Certain-teed.

4. Wall Board and Lath supplied by Certain-teed to National shall be of the same appearance and quality as Certain-teed's product but shall be labeled with National's labels to be supplied by National, f.o.b. Fort Dodge Plant of Certain-teed, without charge. Gypsum Blocks shall be supplied with the Certain-teed's regular brand.

5. All orders given by National to Certain-teed shall be given the same consideration in handling and shipping

as is given to orders of Certain-teed, and Certain-teed agrees that sales data, customers' names, prices, etc., on National's business will not be compiled and turned over to the Sales Department of Certain-teed.

6. Failure on the part of National promptly to pay any bills rendered by Certain-teed to National for goods sold to National hereunder when the same are due and payable shall be sufficient to authorize Certain-teed to withhold any and all further shipments or deliveries to National or on National's account, and if any such bills are not paid within a period of thirty (30) days after the same are due and payable, then Certain-teed shall have the right, at its option, to terminate this agreement, with or without notice to National, provided that any such termination shall be without prejudice to any claim of either party against the other arising out of any breach of or failure to perform this agreement occurring prior to such termination.

7. In case National desires any products furnished in jute bags instead of paper, National will supply such jute bags, f.o.b. Fort Dodge Plant of Certain-teed, and the prices for the products shall be the same as if packed in paper. In case any jute bags are returned to the Fort Dodge Plant of Certain-teed, such bags shall be returned free of cost to Certain-teed and the actual cost for cleaning, repairing and putting these bags in serviceable condition will be charged to National by Certain-teed. Certain-teed will also render National a statement showing the number of bags returned, the number of bags requiring repairs and the number of bags unfit for further use. Any bags unfit for further use shall be disposed of as promptly as possible by National.

8. In order to facilitate prompt handling of orders for National by Certain-teed, it is mutually agreed that National can send shipping instructions on memo. shipping order direct to the Fort Dodge Plant of Certain-teed, but all such memo. orders shall be considered in exactly the same way as if regular written orders had been sent, and such memo. orders shall be promptly confirmed by regular orders. All such confirming orders shall be clearly marked with a red stamp "Confirmation" to prevent errors in duplications of shipments already made on memo. orders.

9. It is understood and agreed that the prices named on the various products covered in this contract are for prod-

ucts manufactured at the Fort Dodge, Iowa Plant of Certain-teed. It is specially agreed, therefore, that in the event that, on account of fires, floods, strikes, labor troubles or for any other reason, whether of like kind to those specified or of a wholly different character, not due to the willfull neglect of Certain-teed, the Fort Dodge Plant of Certain-teed shall cease, either temporarily or permanently, to manufacture such products, Certain-teed will promptly notify National thereof and no liability of any kind or character will attach to Certain-teed for failure to fill orders by National and in such event National will have the right to immediately cancel this contract, provided that it be without prejudice to any claim of either party against the other arising out of any breach of or failure to perform this agreement occurring prior to such termination.

10. This contract, unless cancelled as provided for herein, shall remain in full force and effect from date hereof to December 31, 1931.

In Witness Whereof, the parties hereto have caused these presents to be signed in their respective corporate names by their respective Presidents, and their corporate seals to be affixed and attested by their respective Secretaries, the day and year first above written.

CERTAIN-TEED PRODUCTS CORPORATION

By GEO M BROWN

President

ATTEST:

ROBT M NELSON

Secretary

NATIONAL GYPSUM COMPANY

By M. H. BAKER

President

ATTEST:

F E DAVIS

Secretary.

11613

Government's Exhibit No. 716

May 17, 1929

CA7 34=W BUFFALO NY 17 903A
S L AVERY SR=

UNITED STATES GYPSUM CO 300 WEST ADAMS
ST=

OUR CONTRACT SIGNED AND IN MAIL REEB
READY STOP WE ARE WORKING WITH EBSARY
WITH HOPE OF EVERYBODY BEING SET BY SAT-
URDAY TO JUSTIFY YOUR CALLING MEETING ALL
BOARD MAKERS MONDAY IF YOU LIKE=
=M H BAKER...

11614

Government's Exhibit No. 717

NATIONAL GYPSUM COMPANY
General Offices Buffalo, N.Y.

JUNE 20, 1929

MR. S. L. AVERY, Pres.
United States Gypsum Co.
300 W. Adams St.
Chicago, Ill.

DEAR MR. AVERY:

In your letter of the 18th you indicate that the Bubble System should be held in abeyance.

I had the impression that if we made a thorough check in on this that some of the other factors in the industry would be influenced by our decision. If we decided to go into the system. In fact, this was my reason for being aggressive in the matter.

I understand that the subject will come up at the meeting the 26th, at which time we may get some further impressions and if after that meeting you feel so inclined, you might pass word on that we complete our investigation.

Very truly yours

M. H. BAKER MP
President

M.H.Baker:MP

6522

11615

Government's Exhibit No. 718

NATIONAL GYPSUM COMPANY
General Offices—Buffalo, N. Y.

NOVEMBER 2, 1931

MR. S. L. AVERY
*United States Gypsum Co.
300 W. Adams St.
Chicago, Ill.*

DEAR MR. AVERY:

In connection with your letter of October 26th I regret our inability to respond to the suggestions made to me while in Chicago some time ago. I have discussed this subject with several of our people, also with Mr. Finck, but we have not been able to develop any practical ideas for strengthening the license agreement.

If you have developed any concrete ideas for strengthening the licensee agreement which you believe will be acceptable to all the licensees, I would appreciate it very much if you would send me a copy of your plan and I will then have an opportunity to turn it over in my mind and discuss it with our Directors so that I will be able to discuss it further with you at an early date.

Very truly yours

M. H. BAKER
President

M.H.Baker:MP

11616

Government's Exhibit No. 719

BOARD SURVEY COMPANY
300 West Adams Building
CHICAGO—ILLINOIS

MAY 10, 1935.

MR. ARTHUR R. BLACK
*General Sales Manager
American Gypsum Company
Port Clinton, Ohio.*

DEAR MR. BLACK:

In order to protect its rights as owner of the patents involved in your license contract authorizing you to manufacture and sell gypsum wallboard and gypsum plasterboard embodying the claims and inventions of the licensor's patents, the licensor has been giving consideration to the matter of license violations through the sale of patented board at less than the established minimum price effected by means of advertising allowances, painting dealers' signs, donations of carpenters' aprons or the sale of such below cost, and concessions of a like nature.

We would appreciate a statement of your policies in this regard to assist the licensor in its further study of this problem.

Yours truly,

BOARD SURVEY COMPANY

E. W. CAREY
Executive Secretary.

6524

11617 *Government's Exhibit No. 720*

DAY LETTER
MAY 17, 1929

S. M. GLOYD
*Texas Cement Plaster Co.
Oklahoma City, Okla.*

There has been much discussion of infringement settlement and license on board. Nothing has yet developed although I think it safe to say the outlook is favorable. If license were generally closed it would be desirable to discuss a reasonable market price for the licensed product. Will keep you informed in hope that you may participate if outcome favorable.

S. L. AVERY

11618 *Government's Exhibit 721*

5-18-29

MR. S. M. GLOYD
*Texas Cement Plaster Co
Oklahoma City, Okla.*

Mr. Kling has sent in a contract with material changes and declares he will not attend meeting unless these changes are accepted by us. Stop. We cannot accept them and regret that the Tuesday meeting will be futile unless other companies wish to proceed as outlined without American license.

S. L. AVERY.

11619 *Government's Exhibit No. 722*

53CHAC 16

CX OKLAHOMACITY OKLA MAY 20 29

S L AVERY

U S GYPSUM CO CHGO

JUST RETURNED. HOPE YOU GET INFRINGEMENT SETTLEMENT AND ALL TAKE OUT LICENSE WITH YOU ON BOARD

S M GLOYD
1059A

11620

Government's Exhibit No. 723.

MAY 20 1929

MR. S. M. GLOYD
Texas Cement Plaster Company
Oklahoma City, Okla.

DEAR MR. GLOYD:

Thanks for your telegram of May 20. I regret very much that you cannot be with us at the meeting to be held tomorrow although it does not seem to me that the situation makes it necessary. For the past several months, most of those manufacturing boards and infringing our patents have indicated a readiness to pay damages and to take out a license. The American Gypsum Company, however, have been unwilling to subscribe to the terms, the conditions in our opinion require. Mr. Brown, Mr. Reeb, Mr. Ebsary and the National Company have expressed themselves favorable to this adjustment and it is not improbable that the matter may be closed at the meeting tomorrow or soon thereafter. You will, of course, be fully informed of what takes place.

With kind regards, I am

Yours truly,

President.

6526

11621

Government's Exhibit No. 724

5-18-29

MR. F. FRED G. EBSARY
Ebsary Gypsum Company
Scottsville, N. Y.

Mr. Kling has sent in a contract with material changes and declares he will not attend meeting unless these changes are accepted by us Stop We cannot accept them and regret that the Tuesday meeting will be futile unless other companies wish to proceed as outlined without American license

S. L. AVERY

11622

Government's Exhibit No. 725

5-18-29

MR. M. H. BAKER
National Gypsum Company
Buffalo, N. Y.

Mr. Kling has sent in a contract with material changes and declares he will not attend meeting unless these changes are accepted by us Stop We cannot accept them and regret that the Tuesday meeting will be futile unless other companies wish to proceed as outlined without American License

S. L. AVERY.

11623

Government's Exhibit No. 726

JUNE 24, 1929.

M. H. BAKER, *Pres.*,
National Gypsum Co.,
409 Jackson Building,
Buffalo, New York.

Upon my return to city I find no suggestions from your counsel and since sole purpose of meeting on Wednesday is to consider form of bubble contract I urge that you forward your suggestions at once or have them available at meeting.

JOHN E MACLEISH

JML:EM

1 P. M.

Chg. U. S. G. Co. License Agreement

Copy to Ebsary, Niagara, Certain-teed and Atlantic

11624

Government's Exhibit No. 727

JUNE 13, 1933.

MR. F. M. MILLER

Board Survey Company
Chicago.

Recently E. A. Gallagher made the following report:

"Watertown Builders, Watertown, Massachusetts state as long as we insist on bulletin price for plaster, it was not to their advantage to buy our plasterboard. They buy Certain-teed materials, and are selling plasterboard f.o.b. job below our price on plasterboard to the dealer. It is apparent that Certain-teed is selling this firm plaster at less than its regular price so as to influence patented plasterboard business."

H. F. SADLER
 A. V. P.

6528

11625 *Government's Exhibit No. 729*

NOVEMBER 14, 1932.

MR. C. O. BROWN, V. P.,
Certain-teed Products Corporation,
100 E. 42d Street,
New York City.

DEAR MR. BROWN:

Re: Monroe Hardware Company
Monroe, North Carolina.

We are advised that your company is selling wallboard and/or plasterboard manufactured and sold by you under your license contract to the Monroe Hardware Company, Monroe, North Carolina at less than the licensor's minimum price to you for such board in such market; that you do effect a rebate to this firm on its purchases of patented board from you through means of special allowances and/or special terms on your plaster.

We desire from you a verified statement of your sales of patented board to the Monroe Hardware Company, including in your statement as to whether or not you have made special allowances or rebates to this firm, either on patented board or on your other products.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11626

Government's Exhibit No. 730

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

NOVEMBER 28th, 1932

MR. FRANK M. MILLER,
Executive Secretary,
Board Survey Company,
300 W. Adams St.,
Chicago, Ill.

Re: Monroe Hardware Co.,
Monroe, North Carolina.

DEAR MR. MILLER:

Acknowledging your inquiry of November 14th addressed our Mr. C. O. Brown reference alleged sale of Gypsum Wallboard and/or Plasterboard to subject concern:

Beg to advise that our sale of license material consists of a Mixed Car Gypsum Lath (3/8") on a basis of our Regular Delivered Price, i.e. \$20.04 per thousand square feet and the other products in the car were priced at our regular schedule.

There are no rebates or other allowances of any kind involved.

Yours very truly,

WARREN HENLEY
Merchandise Manager
Gypsum Division.

WH-T

6530

11627

Government's Exhibit No. 731

MAY 13, 1933.

MR. C. O. BROWN, V. P.,
Certain-teed Products Corp.,
100 E. 42d Street,
New York City.

DEAR MR. BROWN:

Re: Madison Lumber Company
Madison, Indiana.

Please refer to our March 1st letter and your reply of March 13th regarding your sale of patented board to the Madison Lumber Company, Madison, Indiana.

You advised us of rebates on plaster and paint to this dealer but stated that said rebates were not made so as to influence your sales of patented board to the said Madison Lumber Company. However, in addition to our original complaint we again have the statement from the dealer that its purchases of patented board from you are for the reason of the rebates you make on your sales of paint and roofing.

Please advise us as to your sales of patented Board as mentioned herein.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11628

Government's Exhibit No. 732

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

MAY 25, 1933.

MR. FRANK MILLER, *Executive Secretary,*
The Board Survey Company,
300 W. Adams St.,
Chicago, Ill.

Subject: Madison Lbr. Co., Madison, Ind.

DEAR MR. MILLER:

Acknowledging your inquiry of May 13 addressed to our Mr. C. O. Brown regarding alleged sale of patented gypsum wall board and/or lath to subject concern.

It is probably true that the dealer may have made statement "for the reason of the rebates Certain-teed makes on our sale of paint and roofing" as we are cooperating with this account covering roofing and paint in exactly the same way we cooperate with any other account handling our line of paint and roofing materials, in that our salesmen endeavor to cover the contractor trade to work up prospects for our dealer, and insofar as rebates made on other commodities is concerned, we have made no adjustments other than our regular policy would provide on materials of this nature which were found to be defective.

As mentioned in the writer's letter to you of March 13th, we have made no adjustments or allowances covering paint or roofing other than were absolutely justified, and in no way do such allowances affect their purchase of patented gypsum board and/or lath.

Yours very truly,

WARREN HENLEY,
Merchandise Manager.
Gypsum Division.

WH)MR.

6532

11629

Government's Exhibit No. 733

AUGUST 2, 1933.

MR. C. O. BROWN, V. P.,
*Certain-teed Products Corporation,
100 E. 42d Street,
New York City.*

DEAR MR. BROWN:

Re: Smith Lumber Company
Rutland, Vermont.

We are advised that your company has recently sold wallboard and/or plasterboard embodying the claims and inventions of the patents under which you are licensed to the Smith Lumber Company, Rutland, Vermont at prices below the licensor's minimum price to you for such sale.

According to the information that has been given us, you did recently sell this firm patented board along with plaster, and that you did sell said plaster to this firm so as to reflect to it a price which was lower than the licensor's minimum price to you on the patented board.

We desire a verified statement from you fully reporting your sales of such board to this firm within the past three months. Show date of sale, amount of board sold, price at which board was invoiced, and price actually paid by the dealer for such board, including any and all allowances then or subsequently made, which would affect such shipment.

Where you have shipped this firm board in a mixed car with plaster, or board at the same time as plaster, the two orders having been simultaneous, please advise us as to the price you invoiced said plaster.

We will appreciate your early reply.

Yours truly,

BOARD SUBVEY COMPANY

Executive Secretary.

FMM:AB

11630

Government's Exhibit No. 734

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

AUGUST 18, 1933.

MR. FRANK MILLER, *Ex. Secretary,*
The Bourd Survey Co.,
300 W. Adams St.,
Chicago, Ill.

Subject: Smith Lumber Company,
Rutland, Vt.

DEAR MR. MILLER:

Acknowledging your inquiry of August 2 addressed to our Mr. C. O. Brown regarding alleged sale of patented gypsum board and/or lath to subject concern.

Information received indicates that our sales to the above concern of patented gypsum board and/or lath, together with gypsum plaster, are in strict accordance with Licensor's bulletin insofar as patented items are concerned, and our sale of other gypsum products are definitely in accordance with our regular schedule of prices applicable, and there is no rebate or other price concession in the transaction that effects the price of gypsum board or lath.

Yours very truly,

WARREN HENLEY
Merchandise Manager,
Gypsum Division.

WH)MR.

6534

11631

Government's Exhibit No. 735

AUGUST 3, 1933.

MR. C. O. BROWN, V. P.,
*Certain-teed Products Corporation,
100 E. 42d Street,
New York City.*

DEAR MR. BROWN:

Re: Arthur White & Son
Corinth, New York.

We are advised that your company has recently sold wallboard and/or plasterboard embodying the claims and inventions of the patents under which you are licensed to Arthur White & Son, Corinth, New York, at prices below the licensor's minimum price to you for such sale.

According to information that has been given us, you did recently sell this firm patented board along with plaster, and that you did sell said plaster to this firm so as to reflect to it a price which was lower than the licensor's minimum price to you on the patented board.

We desire a verified statement from you fully reporting your sales of such board to this firm within the past three months. Show date of sale, amount of board sold, price at which board was invoiced, and price actually paid by the dealer for such board, including any and all allowances then or subsequently made, which would affect such shipment.

Where you have shipped this firm board in a mixed car with plaster, or board at the same time as plaster, the two orders having been simultaneous, please advise us as to the price you invoiced said plaster.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11632

Government's Exhibit No. 736

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

AUGUST 18, 1933.

MR. FRANK MILLER,
Board Survey Co.
Chicago, Illinois.

Arthur White & Son,
Corinth, N. Y.

DEAR MR. MILLER:

Acknowledging your inquiry of August 3 addressed to our Mr. C. O. Brown regarding alleged sale of patented gypsum board and/or lath to subject concern.

Information received indicates that our sales to the above concern of patented gypsum board and/or lath, together with gypsum plaster, are in strict accordance with Licensor's bulletin insofar as patented items are concerned, and our sale of other gypsum products are definitely in accordance with our regular schedule of prices applicable, and there is no rebate or other price concession in the transaction that affects the price of gypsum board or lath.

Yours very truly,

(Sgd) WARREN HENLEY
Merchandise Manager,
Gypsum Division,

WH)MR.

6536

11633

Government's Exhibit No. 737

AUGUST 3, 1933.

MR. C. O. BROWN, V. P.,
*Certain-teed Products Corporation,
100 E. 42d Street,
New York City.*

DEAR MR. BROWN:

Re: Charles Collins & Sons
Troy, New York.

We are advised that your company has recently sold wallboard and/or plasterboard embodying the claims and inventions of the patents under which you are licensed to Charles Collins & Sons, Troy, New York at prices below the licensor's minimum price to you for such sale.

According to the information that has been given us, you secure patented board business from this firm by reason of a special price which is less than the licensor's minimum price to you, by reason of a concession in price on your other products. Namely; plaster, paint or roofing.

We desire from you a verified statement as to your sales of patented board to this firm, also as to whether or not any allowances have been made on your other products which would affect your sales of patented board.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11634

Government's Exhibit No. 739

CERTAINTY PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

AUGUST 18, 1933.

MR. FRANK MILLER,
*Board Survey Co.,
Chicago, Illinois.*

Subject: Chas. Collins & Sons,
Troy, N. Y.

DEAR MR. MILLER:

Acknowledging your inquiry of August 3 addressed to our Mr. C. O. Brown regarding alleged sale of patented gypsum board and/or lath to subject concern.

Information received indicates that our sales to the above of patented gypsum board and/or lath, together with gypsum, roofing and paint products, are in strict accordance with Licensor's bulletin insofar as patented items are concerned, and our sale of other products mentioned above are definitely in accordance with our regular schedule of prices applicable, and there is no rebate or other price concession in the transaction that affects the price of gypsum board or lath.

Yours very truly,

WARREN HENLEY
*Merchandise Manager,
Gypsum Division.*

WH)MR.

6538

11635

Government's Exhibit No. 739

AUGUST 19, 1932.

MR. WARREN HENLEY,
*Certainfeed Products Corp.,
One North Canal St.,
Chicago, Illinois.*

DEAR MR. HENLEY:

Re: W. Skobliski
Long Island, N. Y.

Please refer to our previous correspondence and your June 21 letter regarding your sales of patented board to W. Skobliski, Long Island, N. Y. at less than the licensor's minimum price to you for such board in such market.

We are informed that subsequent to the licensor's bulletin of April 12, 1932 you have made special allowances on your other products sold to this firm in such a way as to reflect a lower minimum price to it on its purchases of patented board from you.

Please advise us in detail concerning the above mentioned transactions.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11636

Government's Exhibit No. 740

UNITED STATES GYPSUM CO.

Subject W. Skobliski, West Hempstead, L. I.

AUGUST 15, 1932.

MR. F. M. MILLER

*Board Survey Company
Chicago, Illinois.*

The following is a report submitted to Sales Manager Gallagher by Salesman Roche on August 5th, which is self-explanatory.

"Says he is wholesale and retail and that he sells more material to dealers than to jobs. Claims he handled 30 cars of Gypsum-Board last year and seven cars so far this year. Claims to be handling Certain-teed. I went through his warehouse and found mostly Bestwall and unlabeled board that looked like Bestwall. Also some Gypsolite and some Rockwall Finisher. Tried to get something definite from him. The best I could get was that he sells it to other dealers out of the car for from \$29.00 to \$31.00—that speaks for itself, and if Holloway can get some dealer to buy it at that price we have something to go on."

H. F. SADLER

A. V. P.

6540

11637

Government's Exhibit No. 741

CERTAIN-TEED PRODUCTS CORPORATION
One Canal Street,
CHICAGO, ILL.

AUGUST 29TH, 1932.

MR. FRANK M. MILLER,
*Executive Secretary,
Board Survey Company,
300 W. Adam St.,
Chicago, Ill.*

Re: W. Skobliski, Long Island, N. Y.

DEAR MR. MILLER:

Acknowledging your inquiry of August 19th with reference to sale of patented board to subject concern at less than licensor's minimum price for such board:

In accordance with the writer's letter to you June 21st, under above subject, beg to advise that subsequent to licensor's Bulletin dated April 12, 1932, we are conforming strictly to licensor's prices and, further, we wish to advise that we are not selling subject concern any of our other products at a price that in any way has any relationship to this board business.

Yours very truly,

(Sgd) WARREN HENLEY
*Merchandise Manager
Gypsum Division*

WH-T

11638

Government's Exhibit No. 742

CC Warren Henley

August 23, 1932.

MR. C. O. BROWN, V. P.,
Certain-teed Products Corp.,
100 E. 42d Street,
New York City.

DEAR MR. BROWN:

Re: Cook Lumber Co.,
Louisville, Ky.

We are advised that your company has recently sold patented gypsum wallboard manufactured and sold under your license contract to the Cook Lumber Company, Louisville, Kentucky at less than the licensor's minimum price to you for such sales; that you did sell the said Cook Lumber Company patented wallboard on six portable county schools in a lump sum together with your roofing, and that the price you figured on the roofing was such as to reflect a lower price than the licensor's minimum price to you on patented wallboard in the Louisville, Kentucky market.

Please advise us in detail of your sale of patented wallboard to the Cook Lumber Company, Louisville, Kentucky as mentioned above.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6542

11639

Government's Exhibit No. 743

CERTAIN-TEED PRODUCTS CORPORATION
One North Canal Street
CHICAGO, ILL.

SEPTEMBER 8th, 1932.

MR. FRANK MILLER,
Executive Secretary,
Board Survey Company,
300 W. Adams St.,
Chicago, Ill.

DEAR MR. MILLER:

Re: COOK LUMBER Co.,
Louisville, Ky.

Acknowledging your inquiry of August 23rd addressed to our Mr. C. O. Brown regarding sale by us to subject concern of GYPSUM BOARD:

This is to advise that we sold the board at our regular scheduled price involving approximately 20,000 feet and, in addition, we sold some 100 Sqs. of 10" Cut-Out Shingles at our regular price of \$3.40 per square—this through our jobber, Central Paint & Roofing Company.

There was no cut price involved on the part of either roofing or gypsum board in this transaction. However, I understand we did promise to take some advertising space on subject concern's billboard similar to the arrangement entered into late last year by U. S. Gypsum Company, who at that time took advertising space on the billboard above mentioned.

Yours very truly,

WARREN HENLEY
Merchandise Manager
Gypsum Division

WH-T

-11640

Government's Exhibit No. 744

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

MARCH 24, 1934.

MR. H. F. SADLER, *Executive Secretary,*
The Board Survey Company,
300 W. Adams St.,
Chicago, Ill.

Re: SERVICE MASONS SUPPLY CO.,
New York, New York

DEAR MR. SADLER:

Acknowledging your inquiry March 16th addressed to our Mr. C. O. Brown regarding alleged sale of patented gypsum board and/or lath to subject concern.

Our records indicate no sale of patented board or lath to subject concern within the last six months. Therefore, the information you have received is incorrect.

Yours very truly,

WARREN HENLEY
Merchandise Manager,
Gypsum Division.

WH)MR.

6544

11641

Government's Exhibit No. 746

April 24, 1934.

MR. WARREN HENLEY
Certain-teed Products Corporation
2246 W. 49th Street
Chicago, Illinois.

DEAR MR. HENLEY:

Re: Shaffer Lbr Company
Laurel, Maryland.

Referring to your license contract covering the sale of patented gypsum board, it is reported you recently sold to the Shaffer Lumber Company of Laurel, Maryland a part carload of gypsum wallboard and other gypsum commodities included in a stopover car with final destination at Washington, D. C. It is further alleged that you absorbed all stopover charges in connection with the intermediate Laurel destination, and that you sold the other gypsum materials at substantially less than the published price in order to influence the sale of the patented gypsum board.

Will you please immediately examine this transaction and advise us concerning it?

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

11642

Government's Exhibit No. 745

MARCH 16, 1934.

MR. C. O. BROWN, V. P.
*Certain-teed Products Corp.,
100 E. 42d Street,
New York City.*

DEAR MR. BROWN:

We are informed that your company has recently sold in a carload lot gypsum plasterboard embodying the claims and inventions of the patents under which you are licensed to the Service Masons Supply Company, New York City at prices below the licensor's minimum price to you for such lath in that market, the reduction of the licensor's minimum price being in the form of allowances on other commodities, the allowances being made to influence the purchase of patented lath from your company and thus reducing the price of such lath.

We desire a verified statement from you fully reporting the sales of such board to the Service Masons Supply Company within the last six months, showing date of sale, amount of board sold, price at which board was invoiced, and the price actually paid by the dealer for such board, including any and all allowances then or subsequently made affecting such shipment.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

6546

11643

Government's Exhibit No. 747

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

MAY 11, 1934

MR. H. F. SADLER, *Executive Secretary*
Care, Board Survey Company
300 West Adams Street
Chicago

SUBJECT: Shaffer Lumber Co
Laurel, Maryland

Dear Mr. Sadler:

Acknowledging your inquiry of April 24 regarding alleged sale of patented gypsum board to subject concern.

This is to advise that the gypsum board sold the above moved in a stop-over car on a basis of \$30.44 per M sq. ft. No stop-over charges were allowed.

The balance of the car, consisting of plaster was destined Washington, D. C. and was sold on a basis of \$1.00 per ton higher than other manufacturers are charging for plaster in the Washington market at the present time.

Yours very truly

WARREN HENLEY
Merchandise Manager
Gypsum Division

WH-os

11644

Government's Exhibit No. 748

JULY 19, 1934.

MR. C. O. BROWN, V. P.,
Certain-teed Products Corporation:
100 E. 42d Street,
New York City.

Re: Universal Building Material Company
New York City.

DEAR MR. BROWN:

We are informed that you have recently sold a carload of gypsum lath manufactured and sold by you under your license contract to the Universal Building Material Company, New York City at less than the licensor's minimum price to you for such sale.

Specifically, it has been reported to us that the reduction in price below the licensor's minimum price was accomplished through a rebate in May 1934 of \$1.50 per ton on 80 tons of casting plaster shipped by you to this dealer during January and February 1934, the rebate having been made with the distinct understanding that your company would receive an order for a carload of patented lath in return. We are informed that the Universal Building Material Company, solely in consideration of this allowance, actually purchased from you and took into their stock a carload of 6000 pieces of patented lath.

We desire a verified statement from you fully reporting your sales of patented lath to the Universal Building Material Company, New York City within the last six months showing date of sale, amount of lath sold, price at which lath was invoiced, and price actually paid by the Universal Building Material Company for such lath, including any and all allowances then or subsequently made affecting such shipments, including specific reference to the alleged allowance of \$1.50 per ton on the 80 tons of plaster above mentioned.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

6548

11645

Government's Exhibit No. 749

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

JULY 31, 1934

MR. H. F. SADLER, *Executive Secretary*
Board Survey Company
300 W. Adams Street
Chicago.

SUBJECT: Universal Building Material Co.,
New York City

DEAR SIR:

Acknowledging your inquiry of July 19 to our Mr. C. O. Brown reference alleged sale of patented gypsum board and/or lath to subject concern.

The information you have received is 100% incorrect. Early this year we were maintaining a firm price of \$17.20 on "white goods". Competition compelled us to reduce our price to \$15.00 and we therefore credited subject concern with our January invoicing to the extent of \$2.20 per ton. The latter part of March and early in April we found that our competitors had again reduced price of basis of \$12.00, and we again credited subject concern for April deliveries, not, however, down to \$12.00, but to a basis of \$13.50. Our April shipments had been invoiced at \$15.00, and as mentioned we rebated them on the basis of \$13.50 cost.

There is absolutely no connection between this competitive situation and our sale of gypsum board and lath to subject concern.

Yours very truly

WARREN HENLEY
Merchandise Manager
Gypsum Division

WH-os

11646

Government's Exhibit No. 750

COMPLAINT ON SALE OF PATENTED GYPSUM WALLBOARD AND
GYPSUM PLASTERBOARD IN VIOLATION OF LICENSE TO
MANUFACTURE AND SELL SUCH PATENTED PRODUCTS

9/13/35
(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Date of Complaint 9/3/35

Name of Customer involved A. Sklar & Sons, Inc.

Address of Customer involved Yonkers, N. Y.

Date of Violation..... Shipped From..... By.....
(Mill) (Rail or Truck)

Type of Violation.....

Footage Involved	{	(Wallboard)	Size	{	(Wallboard)	Billed	{	(Wallboard)	Price	{	(Wallboard)	Should	{	(Wallboard)	
		(Plasterboard)			(Plasterboard)			Per			(Plasterboard)			Have	(Plasterboard)
					M			(Plasterboard)			Been			(Plasterboard)	

LICENSEE'S EXPLANATION

We sold subject concern Gypsum Board and Lath and as well carload of Building Paper. Both cars sold strictly in accordance with our regular policy,—

1/8" Gypsum Lath at \$15.30 per M and 1/4" at \$14.90 per M.

Building Paper sold on our current price list, i.e., \$38.00 per ton less 7 1/2%, plus the equalized freight to Yonkers.

CERTAIN-TEED PRODUCTS CORP.
(Name of Licensee)

By WARREN HENLEY
MERCHANDISE MANAGER—GYPSUM DIVISION
(Title)

(Use this Form to Answer Complaints from Board
Survey Co.)

6550

11647

Government's Exhibit No. 751

COMPLAINT ON SALE OF PATENTED GYPSUM WALLBOARD AND
GYPSUM PLASTERBOARD IN VIOLATION OF LICENSE TO
MANUFACTURE AND SELL SUCH PATENTED PRODUCTS

September 3, 1935.
(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Complaint against Certain-teed Products Corporation
(Manufacturer)

Name of Customer involved A. Sklar & Sons, Inc.

Address of Customer involved 55 Riverdale Avenue,
Yonkers, New York.

Date of Violation..... Shipped From..... By.....
(Mill) (Rail or Truck)

Type of Violation.....

Footage involved	{	(Wallboard)	Size	{	(Wallboard)	Billed	{	(Wallboard)	Price	{	(Wallboard)
					Price			Should			
		(Plasterboard)			Per	(Plasterboard)		Have	(Plasterboard)		
				M		Been					

FACTS CONCERNING COMPLAINT

The above dealer has been a USG customer on patented
plasterboard. Early in August they purchased a car of
building paper from Certain-teed and at the same time a
car of plasterboard. It is our belief that the price of build-
ing paper was cut to procure the building board business.

Will you please investigate?

USG
(Name of Complainant)

By
.....
(Title)

(Use reverse side, if more space needed for complaint)

11648

Government's Exhibit No. 752

COMPLAINT ON SALE OF PATENTED GYPSUM WALLBOARD AND
GYPSUM PLASTERBOARD IN VIOLATION OF LICENSE TO
MANUFACTURE AND SELL SUCH PATENTED PRODUCTS

September 3, 1935.

(Date)

To:

Certain-teed Products Corp.,

Licensee

105 W. Adams Street,

Chicago, Illinois.

Attention: Mr. Warren Henley

A complaint has been filed against your company as follows:

Name of Customer involved A. Sklar & Sons, Inc.

Address of Customer involved Yonkers, New York.

Date of Violation..... Shipped From..... By.....
(Mill) (Rail or Truck)

Type of Violation.....

Footage Involved	{	(Wallboard)	Size	{	(Wallboard)	Billed	{	(Wallboard)	Price	{	(Wallboard)
						M			Been		

FACTS CONCERNING COMPLAINT

It has been reported to us that your company sold a car of building paper and a car of patented gypsum board to the above dealer in the early part of August, and that the building paper was sold at a low price for the purpose and with the result of procuring the patented gypsum board business, thereby in effect selling the patented product at less than the minimum established by the licensor.

Will you please investigate and advise us of your findings?

BOARD SURVEY COMPANY

By :
Executive Secretary.

6552

11649

Government's Exhibit No. 753

APRIL 13, 1932.

MR. M. H. BAKER, *President,*
National Gypsum Company,
Buffalo, New York.

DEAR MR. BAKER:

We are advised, by another licensee, that you have recently sold wallboard embodying the claims and inventions of the patents under which you are licensed, and insulation board to the Ashland Lbr. Co., Ashland, Ohio under such circumstances as to indirectly effect a rebate or discount to the Ashland Lumber Co. on the patented wallboard purchased by it and therefore in violation of your license contract.

Will you please advise us in detail all facts pertaining to the above mentioned transaction.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM'AR

6553

11650

Government's Exhibit No. 754

CERTAIN-TEED PRODUCTS CORPORATION
Daily News Building
1 North Canal Street
CHICAGO, U. S. A.

April 5, 1932.

MR. FRANK M. MILLER,
Executive Secretary,
Board Survey Company,
300 W. Adams St.,
Chicago, Illinois.

Subject: Ashland Lumber Co.,
Ashland, Ohio.

DEAR MR. MILLER:

The National Gypsum Company have recently sold subject concern a carload of Gypsum Wallboard, which we understand was in accordance with regular price as set up by licensor.

However, sale of the Gypsum Board was predicated on a very low price having been made on a carload of Insulating Board. In other words, a very low price was made on the Insulating Board, *provided* customer bought a straight car of Gypsum Board.

Will you please check this situation at your earliest convenience; obliging

Yours very truly,

WARREN HENLEY
Merchandise Manager
Gypsum Division

WH-T

6554

11651

Government's Exhibit No. 755

AUGUST 10, 1932.

MR. M. H. BAKER, *Pres.*,
National Gypsum Company,
Buffalo, N. Y.

DEAR MR. BAKER:

Re: Fisher Lumber Co.,
Vermilion, Ohio.

We are advised that your company has recently sold wallboard and/or plasterboard embodying the claims and inventions of the patents under which you are licensed to the Fisher Lumber Company, Vermilion, Ohio at prices below the licensor's minimum price to you for such sales.

It is reported to us that you donated Colortex to the Fisher Lumber Company, Vermilion, Ohio in amounts sufficient to redecorate the office of this firm, and that this donation was so made as to reflect a lower price on patented board, and in consequence of which you secured an order for patented board from this firm.

Will you please advise us in detail concerning this transaction?

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11652

Government's Exhibit No. 756

AUGUST 10, 1932.

MR. F. M. MILLER
Board Survey Co.

Re: Fisher Lbr. Co.,
Vermilion, Ohio.

Under date of August 6, our salesman reported that the licensee, National Gypsum Company, donated enough Color-tex to redecorate the office of the Fisher Lumber Company, Vermilion, Ohio. As a result of this donation secured a 1/2 carload order of patented wallboard and lath.

Will you please handle with the licensee, National Gypsum Company?

H. F. SADLER
A. V. P.

6556

11653

Government's Exhibit No. 757

NATIONAL GYPSUM COMPANY
General Offices Buffalo, N. Y.

AUGUST 23, 1932

MR. F. M. MILLER
Board Survey Co.
300 West Adams Bldg.
Chicago, Ill.

DEAR MR. MILLER:

This will acknowledge your letter of August 10th in reference to a donation of Color Texture affecting the sale of patented board to Fisher Lumber Co., Vermilion, Ohio. Each and every shipment made this concern, according to our records, has been paid in full with no credit allowances of any nature.

On May 16th we shipped them 25 lbs. of Color Texture and settlement was received for this shipment by check June 13th. On June 13th we shipped them another 10 lbs. and check was received to cover that shipment June 17th. On June 20th we shipped them 200 lbs. which was paid for in full by check July 1st.

All of the above was invoiced at our regular prices of 10¢ per lb. on 25 lb. cases and 10½¢ per lb. on 10 lb. cases.

Very truly yours

M. H. BAKER

President

MP

M. H. Baker:MP

11654

Government's Exhibit No. 758

CERTAIN-TEED PRODUCTS CORPORATION
2246 West 49th Street
CHICAGO, ILL.

OCTOBER 13, 1932.

MR. FRANK M. MILLER,
Executive Secretary,
Board Survey Company,
300 W. Adams St.,
Chicago, Illinois.

Re: J. T. JUSTICE LUMBER Co.,
LOUISA, KENTUCKY.

DEAR MR. MILLER:

Subject concern advised us that they have purchased a mixed car of Board and Plaster Products. . . The board content on a price basis \$2.00 per thousand under our delivered price for Louisa, Kentucky.

Will you kindly check the last shipment made by National Gypsum Company and advise us the delivered price on the Board and/or Lath contained in the car, and also whether or not there was any special price applicable to the other items in the car that would permit of this business being lost to us.

Yours very truly,

WARREN HENLEY
Merchandise Manager.
Gypsum Division

WH-t

6558

11655

Government's Exhibit No. 759

OCTOBER 31, 1932.

MR. R. F. BURLEY, V. P.,
*National Gypsum Company,
Buffalo, N. Y.*

Re: J. T. Justice Lumber Co.,
Louisa, Kentucky.

DEAR MR. BURLEY:

We are informed that your company has recently sold in carload lots wallboard and/ plasterboard embodying the claims and inventions of the patents under which you are licensed to J. T. Justice Lumber Company, Louisa, Kentucky at prices below the licensor's minimum price to you and consequently in violation of the terms and conditions of your license agreement.

We desire a verified statement from you fully reporting your sales of such wallboard and/or plasterboard to the J. T. Justice Lumber Company, Louisa, Kentucky within the last six months showing date of sale, amount of board sold, price at which board was invoiced, and price actually paid by the dealer for such board, including any and all allowances then or subsequently made effecting such shipment.

This request is occasioned by a complaint from one of the licensees that you did sell wallboard to the above concern at \$2.00 per thousand under the delivered price for Louisa, Kentucky, also, that on your last shipment special allowances were made on your other products sold to this firm in such a way as to reflect a lower minimum price to it on its purchases of patented board from you.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:EAB

11656

Government's Exhibit No. 760

DECEMBER 20, 1932.

MR. M. H. BAKER, *Pres.,*
National Gypsum Company,
Buffalo, New York.

DEAR MR. BAKER:

Re: Axinn Lumber Company
Queens Village, L. I.

We are advised that your company has recently quoted wallboard embodying the claims and inventions of the patents under which you are licensed to the Axinn Lumber Company, Queens Village, Long Island at prices below the licensor's minimum price to you for such sale; that you did recently quote your insulation board in conjunction with patented wallboard at such prices that would reflect to the said Axinn Lumber Company a lower price on its purchases of patented wallboard than the licensor's minimum price to you. It is further reported that your representative quoted a special price of \$26.00 per M sq. ft. delivered carload lot on your Insulation board to this dealer, provided said dealer did also give you his patented wallboard business.

We will appreciate your advising us fully in regard to this transaction.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6560

11657

Government's Exhibit No. 761

NATIONAL GYPSUM COMPANY
General Offices Buffalo, New York

GOLD
BOND
PRODUCTS

JANUARY 9, 1933

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

Re: Axinn Lumber Company
Queens Village, L. I.

GENTLEMEN:—

In reply to your letter of December 20th, all sales of patentee board to the above account were made at licensor's published price for patented board.

We sold them one car of insulation board October 17th at our published price for insulation board. After shipment was received Axinn found, due to the interested activities of one of our discharged salesmen, that we had previously shipped insulation at a lower price to some other lumber dealer on the Island and Axinn is now insisting on the lower insulation board price. So far we have not made any adjustment.

There was no connection between the sale of insulation board and patented plaster board.

Yours very truly,

NATIONAL GYPSUM COMPANY

Vice President

RFBurley/B—

11658

*Government's Exhibit No. 762***Subject: Michael Deutsch.****APRIL 15, 1933.**

MR. F. M. MILLER
Board Survey Company
Chicago.

Under date of April 12, 1933 we have the following report from Mr. Jenkins, President of the Samson Plasterboard Company.

"Reports we have indicate this dealer is now handling National Products and gave as his reason, our refusal to ship Insulating Board seconds. Deutsch no doubt was able to get Maftex Insulating Board in carload lots at less than \$30.00 and this fact took the Gypsum Board and plaster business with it for National. Deutsch would not state what price he paid for Maftex but the fact that other dealers in that vicinity claim that they can go to Michael Deutsch's warehouse and pick up Maftex in any quantity at \$30.00 indicates that he has a lower price on Insulation from National than our carload price, as he would hardly unload the material into his warehouse, store it and reload it on the dealers' trucks as they want it and invoice at the price he pays."

H. F. SADLER
A. V. P.

6562

11659

Government's Exhibit No. 763

APRIL 17, 1933.

NATIONAL GYPSUM COMPANY,
Buffalo,
New York.

Att: M. H. Baker, Pres.

Re: Michael Deutsch
Woodridge, New York

DEAR SIRs:..

We are advised that your company has recently sold wallboard and/or plasterboard embodying the claims and inventions of the patents under which you are licensed to Michael Deutsch, Woodridge, New York at prices below the licensor's minimum price to you for such sale.

Specifically, that you did sell your insulation board in conjunction with patented board at such prices that would reflect to the said Michael Deutsch a lower price on his purchases of patented board than the licensor's minimum price to you.

Please advise us of your sales of patented board to this firm, including statement as to any and all allowances you may have made to this firm, which would affect your sales of patented board.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary

FMM:AB

11660

Government's Exhibit No. 764

NATIONAL GYPSUM COMPANY
General Offices Buffalo, New York
GOLD
BOND
PRODUCTS

MAY 1, 1933

MR. FRANK M. MILLER,
Board Survey Company
300 West Adams Bldg.
Chicago, Ill.

DEAR SIR:—

Re: Michael Deutsch
Woodbridge, N. Y.

Concerning the above mentioned inquiry which contends that we have used Insulation Board to influence the sale of patented gypsum board, I find that we have sold this dealer some of our products since 1931. We first sold him patented board in January 1932 and shipped him patented board as late as November 1932. We have, however, not shipped him any since then.

We made no Insulation Board sales to this dealer until the latter part of January 1933. There was a complaint on the quality of this Insulation Board and a credit allowed accordingly but the file indicates that the allowance was entirely on the merits of the Insulation Board case itself.

Furthermore, as we have not sold patented gypsum board since making the sale of Insulation Board, that can hardly have influenced any patented board sales so further detail on the Insulation Board incident will hardly be of interest on this inquiry.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Vice President

RFBurley/B

6564

11611

Government's Exhibit No. 765

Subject: McCluskey Lumber Co., Kane, Pa.

APRIL 21, 1933.

MR. F. M. MILLER

*Board Survey Company
Chicago.*

E. A. Gallagher reports under date of Apr. 19.

This dealer is remodeling its offices and has obtained approximately 3000 ft wood grain gold Bond board from National for use in this remodeling work. Mr. McCluskey claims National made him a very attractive concession on this board.

H. F. SADLER
A. V. P.

11662

Government's Exhibit No. 766

JULY 31, 1933.

NATIONAL GYPSUM COMPANY

*Buffalo
New York.*

Att: R. F. Burley, V. P.

DEAR SIRs:

McCluskey Lumber Company
Kane, Pennsylvania.

In April we requested information from you regarding your alleged donation of patented board for remodel work on the office of the McCluskey Lumber Company, Kane, Pennsylvania, and have your reply that the wood grain board used was invoiced at the licensor's minimum price.

In answering, you failed to advise us as to whether or not you donated or sold at less than your regular price Insulation board, or Plastic paint, or other products, thus reflecting a lower price for this job on the patented board used than the licensor's minimum price to you.

We will appreciate your early reply.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11663

Government's Exhibit No. 767

NATIONAL GYPSUM COMPANY
General Offices Buffalo, New York
GOLD
BOND
PRODUCTS

AUGUST 9, 1933

BOARD SURVEY COMPANY
300 West Adams Building
Chicago, Illinois.

Attention: Frank M. Miller, Executive Secretary

GENTLEMEN:

Re: McCluskey Lumber Company
Kane, Pennsylvania

Referring to your letter of July 31st, we did, on March 6th, give a small quantity of our Color Texture to McCluskey Lumber Company for demonstration of that material thru its use on some ceilings in their display offices.

We also sold them some Insulation Board Seconds. You understand, of course, that we do not manufacture our Insulation Board, having the exclusive sale of another manufacturer's out-put. The Insulation Board was shipped out of the regular run of Seconds laid aside by this other manufacturer and so billed to us—we in turn billing the customer accordingly.

As far as either the Color Texture or the Insulation Board are concerned, we fail to see how they have any bearing on our sales of patented board as we have been selling the account regularly for at least the past four years.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Vice President

R. F. Burley:N

6566

11664

Government's Exhibit No. 768

COMPLAINT ON SALE OF PATENTED GYPSUM WALLBOARD AND
GYPSUM PLASTERBOARD IN VIOLATION OF LICENSE TO
MANUFACTURE AND SELL SUCH PATENTED PRODUCTS

June 23, 1936.

(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Complaint against National Gypsum Company
(Manufacturer)

Name of Customer involved Montgomery Mallue Lumber
Company

Address of Customer involved.....

Date of Violation.... Shipped From.... By.....
(Mill) (Rail or Truck)

Type of Violation.....

Portage involved	{	(Wallboard)	Size	{	(Wallboard)	Billed Price	{	(Wallboard)	Price Should	{	(Wallboard)		
		(Plasterboard)			(Plasterboard)			Per			(Plasterboard)	Have	(Plasterboard)
					M						Been		

FACTS CONCERNING COMPLAINT

We have a report that the National Gypsum Company have, through the means of lower prices on other items, such as insulation board and fiber board, influenced the patented gypsum board business of this account. They were formerly our dealer, and the National Gypsum Company have been able to sell them as a result of the concessions which have been made to jobbing arrangements on other items. We believe this definitely reflects a lower price on patented gypsum board, and that the matter should be promptly investigated.

UNITED STATES GYPSUM COMPANY
(Name of Complainant)

By H. F. SADLER

(Title)

(Use reverse side, if more space needed for complaint)

11665

Government's Exhibit No. 769

NATIONAL GYPSUM COMPANY
General Offices Buffalo, New York
GOLD
BOND
PRODUCTS

NOVEMBER 11, 1936

SCOTT, MACLEISH & FALK
134 South LaSalle St.
Chicago, Ill.

Re: Montgomery Mallue Lumber Co.
Buffalo, N. Y.

GENTLEMEN:

Referring to the complaint of alleged license violations which accompanied your letter of July 17th, our sales to Montgomery Mallue Lumber Company of all products have been in accordance with the Merchandising Plan governing each specific product. We have not made sales to Montgomery Mallue Lumber Company contrary to our established pricing policy on any product outside of the gypsum industry field so we cannot see how any of our sales of other products could be construed as influencing in any way the sale of patented gypsum board. This account did not have to buy patented gypsum board in order to get the other products on exactly the same basis that he purchased them.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Vice President

B

RFBurley/R

6568

11666

Government's Exhibit No. 770

MAY 21, 1935.

MR. WARREN HENLEY
Certain-teed Products Corporation
105 W. Adams Street
Chicago, Illinois.

DEAR MR. HENLEY:

Re: Joseph Lumber Company,
Chicago, Illinois.

Referring to your license contract covering the manufacture and sale of patented gypsum board, it has been reported to us that you are granting concessions to the Joseph Lumber Company, Chicago, Illinois, which have the effect of selling patented gypsum board below the minimum prices established by the licensor.

The complainant alleges that your company has painted a sign on the Kimball Avenue fence of the customer approximately 65' x 7' which reads in its entirety "Bestwall", "The Original Twin Mounted Wallboard". It is further stated that your company paid the Joseph Lumber Company \$120.00 to defray the expense of this painting.

The complainant contends that this allowance on your part has operated as a reduction of the minimum prices established by the licensor, and has resulted in the loss of business to the licensee involved.

We request an investigation of this case, and will appreciate a report from you covering the findings in this regard.

Yours truly,

BOARD SURVEY COMPANY.

Executive Secretary.

11667

Government's Exhibit No. 771

CERTAIN-TEED PRODUCTS CORPORATION
1830 Bankers Building
105 West Adams Street
CHICAGO, ILL.

JUNE 11, 1935

MR. E. W. CAREY, *Executive Secretary*
c/o Board Survey Company
300 West Adams Building
Chicago, Illinois

DEAR MR. CAREY:

Re: Joseph Lumber Company
Chicago, Illinois

Acknowledging your inquiry of May 21 in respect to painting of sign in connection with subject concern's yard.

Investigation develops that through misunderstanding our Sales Department authorized this expenditure to the extent of \$100.00 and in so doing misinterpreted our advertising policy, copy of which we understand you have received.

There was no intent to influence sale of gypsum board or any other commodity, and the writer is further advised that our local manager approved this expenditure feeling that in so doing he was within his rights as painting of sign was replacing a similar sign advertising U. S. G. products which sign was painted some two years ago.

Yours very truly,

WARREN HENLEY
Merchandise Manager
Gypsum Division

WH:BH

6570

11668

Government's Exhibit No. 772

JUNE 14, 1935.

MR. WARREN HENLEY, *Merch. Mgr.,
Certain-teed Products Corporation,
1830 Bankers Bldg. 105 W. Adams,
Chicago, Illinois.*

In re: Keefner Concrete Co.
Des Moines, Iowa.

DEAR MR. HENLEY:

In connection with your license contract covering the manufacture and sale of patented gypsum board, a complaint has been filed which alleges that you have granted a concession to the Keefner Concrete Company of Des Moines, Iowa, which has the effect of selling patented gypsum board below the minimum prices established by the licensor.

The report states that you recently painted a sign approximately 8' x 8', illuminated, in front of the dealer's office on S. W. 9th Street, Des Moines, Iowa, which refers exclusively to your products.

The complainant takes the position that your allowance for the cost of this sign has placed said complainant at a disadvantage in the sale of patented board and is, in effect, a reduction in the minimum prices established under your license.

Will you kindly investigate this case and give us a prompt report.

Yours very truly,

BOARD SURVEY COMPANY

Executive Secretary.

11669

Government's Exhibit No. 773

CERTAIN-TEED PRODUCTS CORPORATION
1830 Bankers Building
105 West Adams Street
CHICAGO, ILL.

JUNE 19, 1935

MR. E. W. CAREY, *Executive Secretary*
Board Survey Company
300 West Adams Building
Chicago, Illinois

Re: Keefner Concrete Company
Des Moines, Iowa

DEAR MR. CAREY:

Acknowledging your inquiry of June 14, above subject.

The information you have received is approximately correct. However, we did not illuminate or erect the sign as mentioned but did stand the cost of painting same which, I am advised, came to approximately \$18.00.

As I have advised you before, our Sales Organization misinterpreted Merchandising Plan in respect to painting of signs and in so doing assumed the entire expense therefor.

There was no intention on our part to violate in any way our license agreement and as above mentioned cost of painting sign was through misinterpretation of our Merchandising Policy.

Yours very truly,

WARREN HENLEY
Merchandise Manager
Gypsum Division

WH:BH

6572

11670 Government's Exhibit No. 774

**COMPLAINT ON SALE OF PATENTED GYPSUM WALLBOARD AND
GYPSUM PLASTERBOARD IN VIOLATION OF LICENSE TO
MANUFACTURE AND SELL SUCH PATENTED PRODUCTS**

6-22, 1936.
(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Complaint against Certain-teed Products Corporation
(Manufacturer).

Name of Customer involved Caroline Lumber Company

Address of Customer involved Huntington, West Virginia.

Date of Violation... Shipped From... By
(Mill) (Rail or Truck)

Type of Violation.....

FACTS CONCERNING COMPLAINT

The Certain-teed Products Corporation, late in 1935, granted an advertising allowance to the above dealer for signboards, thereby enabling them to sell this dealer patented gypsum board. This advertising allowance has in effect resulted in a lower minimum price on patented board to this dealer, as he maintains several large signboards in the Huntington vicinity.

UNITED STATES GYPSUM COMPANY
(Name of Complainant)

By H. F. SADLER

.....
(Title)

(Use reverse side, if more space needed for complaint)

CAROLINA LUMBER CO. INC.

11670A

6574

11671

Government's Exhibit No. 775

JULY 16, 1936

CERTAIN-TEED PRODUCTS CORPORATION
100 East 42nd Street
New York, N. Y.

Attention: Mr. C. O. Brown

GENTLEMEN:

We enclose herewith a memorandum of a matter which the Board Survey Company has been asked to investigate.

With the request for an investigation was enclosed a photograph of a signboard including the following advertising matter:

For Walls and Ceilings
We Recommend

Certain-teed Gypsum Wallboard & Plastisized Plaster
in the "life preserving" bag

Everything to Build Anything

CAROLINA LUMBER CO.
204 21st St.
Phone 4189

We will be glad to receive your explanation concerning this matter.

Yours very truly,

CBM:HB

cc—Mr. Warren Henley

cc—Board Survey Company

Certain-teed—7—Carolina Lbr. Co.)

) Not shown on original

11672

Government's Exhibit No. 776

COMPLAINT ON SALE OF PATENTED GYPSUM WALLBOARD AND
MANUFACTURE AND SELL SUCH PATENTED PRODUCTS
GYPSUM PLASTERBOARD IN VIOLATION OF LICENSE TO

7/29/36
(Date)

To:

Board Survey Company,
300 West Adams Street,
Chicago, Illinois.

Date of Complaint 6/22/36

Name of Customer involved Carolina Lumber Company

Address of Customer involved Huntington, West Virginia.

Date of Violation . . . Shipped From . . . By . . .
(Mill) (Rail or Truck)

Type of Violation.....

Footage Involved	()	Size	()	Billed	()	Price	()	Should	()	
	(Wallboard)		(Wallboard)		Price		(Wallboard)		Have	(Wallboard)
	(Plasterboard)		(Plasterboard)		Per		(Plasterboard)		Been	(Plasterboard)

LICENSEE'S EXPLANATION

Answering your inquiry of July 16 reference signboard
advertising for subject concern:

This to advise that we have been selling this account (exclusive) their Gypsum Wallboard and Lath since August 30, 1935 and it was not until February of 1936 that subject concern advised us that they were erecting several billboards and would be interested in advertising our Gypsum Products, provided we would share 50% of the cost of erecting same.

The matter was taken up with our Advertising Dept. and in accordance with our regular policy we arranged to participate in the cost of *painting* the two billboards, to the extent of \$60.00 each. This transaction was completed on February 28, 1936, and after billboards were erected payment was made *direct* to the Smoot Advertising Company of Parkersburg, W. Va.—this on May 13, 1936, to the extent of \$120.00 (for two signs only) covering the *painting* expense only.

6576

You will note from the above that your statement that we arranged for signboard advertising late in 1935 is incorrect and further that we sold this account in August, 1935, and the discussion relative to signboards did not occur for some six months later.

CERTAIN-TEED PRODUCTS CORPORATION
(Name of Licensee)

By Warren Henley.

.....
(Title)

(Use this Form to Answer Complaints From Board
Survey Co.)

11673

Government's Exhibit No. 777

MAY 17, 1933.

MR. M. H. BAKER, Pres.,
National Gypsum Company,
Buffalo, New York.

DEAR MR. BAKER:

Re: Thomas Lumber Company
Owings, Maryland.

We are advised that the Thomas Lumber Company, Owings, Maryland purchased patented wallboard from you for the reason that you did effect a rebate on same by having sold this firm stock of the National Gypsum Company at less than the then market price.

This complaint has just been filed with us by one of the licensees, and we will appreciate your immediate reply.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

11674

Government's Exhibit No. 778

NATIONAL GYPSUM COMPANY
General Offices Buffalo, New York
GOLD
BOND
PRODUCTS

MAY 22, 1933

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

Re: Thomas Lumber Co.
Owings, Md.

GENTLEMEN:—

In reply to your letter of May 17, I have had the stockholders record checked in connection with this inquiry and find no record of this company having at the present time or having ever had any stock in our company. There is, therefore, no basis on which the purchase price of stock in our company could have been an influencing factor on Gypsum Wallboard sales.

Yours very truly,

NATIONAL GYPSUM COMPANY
R. F. BURLEY
Vice President

RFBurley/B

6578

11675

Government's Exhibit No. 779

NATIONAL GYPSUM COMPANY
General Offices Buffalo, New York
GOLD
BOND
PRODUCTS

OCTOBER 31, 1932

BOARD SURVEY COMPANY
300 West Adams Bldg.
Chicago, Ill.

GENTLEMEN:—

Re: Milwaukee Lumber Co.
Milwaukee, Wis.

Referring to the terms and conditions under which we sell patented wallboard, the above dealer advise us the Universal Gypsum Company this spring donated \$100 in cash for their ball club or something similar and which was in effect nothing more than a price rebate on the board purchased.

We previously had been selling this account and the donation by the Universal Gypsum & Lime Company was, we feel, the means of their unfairly taking this business from us and we have not benefitted by any of their business since the donation was made.

Yours very truly,

NATIONAL GYPSUM COMPANY

R. F. BURLEY
Vice President

RFBurley/B

11676

Government's Exhibit No. 780

NOVEMBER 21, 1932.

MR. F. G. KRUMHOLZ, *Treas.,*
Universal Gypsum Company,
105 W. Madison St.,
Chicago, Illinois.

DEAR MR. KRUMHOLZ:

Re: Milwaukee Lumber Co.,
Milwaukee, Wisc.

Referring to the license contract under which you sell patented wallboard and plasterboard, we are advised that your company donated \$100.00 in cash to the Milwaukee Lumber Company, Milwaukee, Wisconsin for their ball club or some similar activity, which is a price rebate on purchases of patented board.

Please let us know whether or not you made this donation, and give us any facts or conditions surrounding the alleged donation which might have bearing on the matter.

Yours truly,

BOARD SURVEY COMPANY

Executive Secretary.

FMM:AB

6580

11677 *Government's Exhibit No. 781*

Subject: Brown-Graves Lumber Company, Akron, Ohio.

JULY 20, 1933.

MR. F. M. MILLER
Board Survey Company
Chicago.

Under date of May 18, salesman Harold Van Deusen advised that the National Gypsum Company sold the Brown-Graves Lumber Company, Akron, Ohio a carload of wallboard and took in payment thereof certificates of deposit on the Harter bank.

H. F. SADLER
A. V. P.

11678 *Government's Exhibit No. 782*

JULY 29, 1933.

NATIONAL GYPSUM COMPANY
Buffalo
New York.

Att: R. F. Burley, V. P.

DEAR SIRs:

Re: Brown-Graves Lumber Company
Akron, Ohio.

We are advised that your company sold wallboard and/or plasterboard manufactured and sold by you under your license contract to the Brown-Graves Lumber Company, Akron, Ohio at other than your regular terms by reason of your having taken in payment thereof certificates of deposit of this firm on a bank, which at the present time is being liquidated; specifically, the Harter Bank.

Please advise us in detail as to your sales of patented board as mentioned herein.

Yours truly,

BOARD SURVEY COMPANY
Executive Secretary.

FMM:AB

11679

Government's Exhibit No. 783

NATIONAL GYPSUM COMPANY
General Offices Buffalo, New York
GOLD
BOND
PRODUCTS

AUGUST 9, 1933

BOARD SURVEY COMPANY.*300 West Adams Building**Chicago, Illinois*

Attention: Frank M. Miller, Executive Secretary

GENTLEMEN:

Re: Brown-Graves Lumber Company
Akron, Ohio

Reply to your letter of July 29th has been delayed awaiting the return of our credit manager from vacation.

On May 11th, we shipped a straight car of patented board and Filler to the subject customer for a total invoice price of \$680.72. There was no indication when the order was received at the office that any portion of it was to be paid for by certificates of deposit in any closed bank.

On May 25th, remittance was received in full for this invoice, all in cash except for \$162.34, representing credit by certificates of deposit on the Harter Bank as mentioned in your letter. Before these were accepted, our Credit Department investigated and felt reasonably sure that over a period of time they would collect one hundred cents on the dollar for these certificates. In the meantime, we are collecting interest on them, having had one payment on July 5th.

For the above reasons, we can not see where we have sold Brown-Graves Lumber Company at other than our regular terms—the certificates of deposit having been accepted only because when tendered, they were found acceptable by our financial division.

Yours very truly,

NATIONAL GYPSUM COMPANY
R. F. BURLEY
Vice President

R. F. Burley:N

6582

11680

Government's Exhibit No. 784

SEPTEMBER 12, 1933.

MR. R. F. BURLEY, V. P.,
*National Gypsum Company,
Buffalo, New York,*

DEAR MR. BURLEY:

Re: Brown-Graves Lumber Company Akron,
Ohio.

Please refer to your August 9th letter regarding your acceptance of certificates of deposit in payment of your sales of patented board to the Brown-Graves Lumber Company, Akron, Ohio.

Certificates of deposit are not legal tender, and are not established as a customary medium of exchange in payment of patented board. Therefore, we construe that this sale was made at other than regular terms and we are accordingly reporting the same to the licensor.

Yours truly,

BOARD SURVEY COMPANY,

Executive Secretary.

FMM:AB

11681

*Government's Exhibit No. 785***Inter Company Discounts on Patented Gypsum Board.****CHICAGO, JULY 24, 1933.**

MR. E. A. GALLAGHER,
Sales Manager,
New York Office.

You probably are aware our license agreement on patented board and lath gives us the right to control the sale of our licensees of the patented material to other manufacturers of Gypsum products. We set the maximum discount which they are permitted to sell to other manufacturers at, and reserve the right to withdraw permission to sell board manufactured under our patents to such other manufacturers. This is to advise you that this permission is now definitely restricted as follows:

"Effective immediately said permission is restricted to sales of patented board and lath to manufacturers of Gypsum products for resale to the dealer trade at wholesale, and is not to apply to said materials sold at retail."

Am giving you this information so that you can be alert to sales made by gypsum manufacturers who have purchased patented board or lath from our licensees, and are selling other than at wholesale.

H. F. SÄDLER,
Asst. to Vice President

By.....

WP'BD

6584

[Endorsement on cover:] File No. 51575. District of Columbia, D.C. U.S. Term No. 711. The United States of America, Appellant vs. United States Gypsum Company, National Gypsum Company, Certain-teed Products Corporation, et al. Filed November 22, 1946. Term No. 711 O.T. 1946.

☆ U. S. GOVERNMENT PRINTING OFFICE: 1947-(747486) 748095.

